Daily Report

East Europe

FBIS-EEU-92-055
Friday
20 March 1992

Daily Report
East Europe

FBIS-EEU-92-055 *20 March 1992*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

FRONT PAGE

ALBANIA

Alia Gives News Conference on Elections *[ATA]* 2
Berisha Urges Activists To Vote, Watch Polls *[Tirana Radio]* 3
Berisha Given 'Enthusiastic Welcome' in Shkoder *[Tirana Radio]* 3
Council of Ministers Examines Food Supply *[Tirana Radio]* 4

BULGARIA

Foreign Ministry Calls For Dialogue on Moldova *[Sofia Radio]* 5
Ministry on Problems Posed by Turkish Classes *[BTA]* 5
Press Views Decision To End Uranium Production *[BTA]* 5

CZECHOSLOVAKIA

Foreign Ministry Warns Against Libya Boycott *[Prague Radio]* 6
Dobrovsky Affirms Need for Common Army *[SVOBODNE SLOVO 17 Mar]* 6
Pithart Interviewed on State Structure *[Prague Radio]* 6
Meciar Platform Envisages Slovak Sovereignty *[CTSK]* 7
Slovak National Party Urges Independence *[Bratislava Radio]* 7
Communists Link Police Search, Editor's Arrest *[CSTK]* 8
State Bank Details 1991 Economic Success *[CSTK]* 8
Broadcasting Official Describes New Council Tasks *[Prague Radio]* 8
Farmers Review Losses, Outline Policy Requests *[HOSPODARSKE NOVINY 17 Mar]* 9

HUNGARY

Serbia Said Ready To Settle Bilateral Relations *[Budapest Radio]* 10
Government To Study Arms Ban Plan Against Libya *[MTI]* 10
Annus Comments on Visegrad Three, NATO *[Budapest Radio]* 10
MDF's Kiss Assesses Role of Left-Wing Parties *[NEPSZABADSAG 14 Mar]* 11
Statistics Show Cooperatives Need Government Aid *[MTI]* 11

POLAND

Walesa Seeks Referendum on New Constitution *[PAP]* 12
Sejm Committee To Consider Walesa Law *[PAP]* 12
Parys: Army Role To 'Supress Strikes' Rejected *[PAP]* 12
Council of Ministers, Sejm Discuss Radio, TV Bill *[Warsaw TV]* 13
Mazowiecki Sees Willingness for UD Coalition Role *[PAP]* 13
Olechowski Discusses Budget, Economic Policies *[WPROST 8 Mar]* 13
Privatization Program Amendments Examined *[GAZETA POZNANSKA 12 Mar]* 15
German Plan for Cross-Border Cooperation Debated *[GAZETA ROBOTNICZA 25 Feb]* 16

ROMANIA

Iliescu Cables Yeltsin, Kravchuk on Moldova *[ROMPRES]* 18
Trade Unions Talks End; Premier Meets Leaders *[ROMPRES]* 18
Roman Urges Continued Search for FSN 'Identity' *[AZI 14 Mar]* 19
Article Analyzes Iliescu-Roman Confrontation *[TINERETEL LIBER 14 Mar]* 19

Romania Mare Party Outlines Stance on Elections *[ROMPRES]* 20

YUGOSLAVIA

Interrepublic

Serbia, Montenegro To Form Common State by May *[TANJUG]* 21
Croatia Denies Violating Slovene Airspace *[Zagreb Radio]* 21
Slovenes Fear Croatia May Limit Fishing Rights *[Ljubljana Radio]* 21

Federal

Foreign Ministry: UN Mission Still Functioning *[TANJUG]* 21
Government Considers UN Peace Force 'Positive' *[TANJUG]* 22

Bosnia-Hercegovina

Political Reaction To State Organization Accord 22
Muslim Bosnians: Document 'Unacceptable' *[TANJUG]* 22
SDA Hails Agreement *[TANJUG]* 23
JNA Links Paramilitary Disarmament, Withdrawal *[TANJUG]* 23
HDZ Leaders Comment on 'Military Administration' *[SLOBODNA DALMACIJA 7 Mar]* 24

Croatia

Russia Expresses Desire To Develop Cooperation *[Zagreb Radio]* 25
Foreign Minister, PRC Diplomat Discuss Ties *[Zagreb Radio]* 25
Tank Production Continues Despite Politics *[TANJUG]* 25
Army Strengthens Positions on Lastovo Island *[Zagreb Radio]* 25
Tudjman Refutes Allegations by Serb Patriarch *[Zagreb Radio]* 25
Paraga To Fight for Unification With Bosnia *[TANJUG]* 26
Federal, Krajina Laws To Apply in Krajina *[Belgrade TV]* 27
Krajina Political Scene, Serbian Question Detailed *[NIN 6 Mar]* 27
Article Says Bosnia To Follow Croatia's 'Fate' *[VECERNJI LIST 7 Mar]* 29
Serbian 'Territorial Expansion' Tactics Noted *[VJESNIK 5 Mar]* 31
Left-Wing Leaders Consider Possible Coalition *[VJESNIK 8 Mar]* 32
Social Democrats Propose Election, Privatization *[SLOBODNA DALMACIJA 7 Mar]* 33
Peasant Party Leaders on 'Blue Helmets' *[SLOBODNA DALMACIJA 4 Mar]* 35

Kosovo

'Government in Exile' Bans Property Transfer *[Belgrade Radio]* 35
Serb, Montenegrin Migration Detailed *[POLITIKA 7 Mar]* 35

Macedonia

Defense Minister Expects Border Control 21 Mar *[TANJUG]* 36
Democratic Party of Serbs Registers *[TANJUG]* 36

Serbia

Milosevic Reported on 'Private Visit' in Athens *[Athens Radio]* 37
Assembly Considers Return of Refugees *[TANJUG]* 37
National Party Seeks Recall of Representative *[TANJUG]* 37
Russian Reporters 'Killed' by Croatian Forces *[TANJUG]* 37

Slovenia

Independence Memorandum Submitted to UN *[TANJUG]* 37
Diplomatic Relations Established With Ukraine *[DNEVNIK 11 Mar]* 38
Bavcar on Ways To Resolve Government Crisis *[DELO 6 Mar]* 38

Police Force To Be Demilitarized, Depoliticized *[DELO 28 Feb]* 39
Government Comments on Economic Crisis *[DELO 4 Mar]* 40
Poll on Response to Government Crisis Published *[DELO 20 Feb]* 41
Inflation Data Revised, Published *[DELO 3 Mar]* 42
Adria Airways To Open Flight Routes to Tirana *[DNEVNIK 3 Mar]* 44

Yugoslavia

Croatia—Croatian Army Chief of General Staff Antun Tus "confirmed a recent report that Slavonski Brod's Djuro Djakovic firm, in cooperation with the Yugoslav Army, has almost completed a series of sophisticated tanks for export to Kuwait." Tus is quoted by TANJUG as saying "perhaps it sounds paradoxical, but the warring countries and sides are involved in a joint venture to produce and export weapons for third countries." Zagreb's GLOBUS reports that Gen Tus said "the tanks are being assembled in our country and under our supervision."

TANJUG reports that Dobroslav Paraga, leader of the Croatian Rights Party has "armed around 30,000 people" in Bosnia-Hercegovina and will "fight for the unification of Croatia and Bosnia-Hercegovina into an independent state of Croatia using all means." According to POLITIKA, "Paraga expressed this stand" in Bonn in talks with Hans Sterken, president of the Bundestag Foreign Policy Committee. The "army" is called the Croatian Defense Union and Paraga contends that it is "the only organized Croatian army in Bosnia-Hercegovina" presenting "a factor of peace" in that republic.

Romania

ROMPRES reports on President Ion Iliescu's messages to Russian President Boris Yeltsin and Ukrainian President Leonid Kravchuk concerning violence in Moldova. Iliescu iterates that the involvement of Cossack groups is "flagrant interference" in the affairs of the Republic of Moldova. He maintains that Romania supports the measures adopted by Moldovan leaders but denies allegations of Romanian military involvement. Iliescu appeals to Yeltsin and Kravchuk to use their influence to disarm the Cossack groups, make them withdraw, allow no other groups to enter Moldova, and discourage "separatist forces" from carrying out new acts of violence.

Albania

On the eve of the 22 March elections, Democratic Party (PD) Chairman Sali Berisha issued a "declaration" on Tirana radio urging young people, soldiers, and intellectuals to vote. "Failure to vote," he says, "is a vote for the Socialists and a loss for democracy." He also calls on supporters to "take thorough measures to strictly and rigorously check the polling stations on election day" in order to deter any "violation of the electoral regulations" as the "social-communists will inevitably resort to tricks." In conclusion Berisha maintains that "the PD will accept the election results and will do its utmost to prevent any... manipulation or trap that aims to upset the political climate" in Albania.

Alia Gives News Conference on Elections

AU1903160492 Tirana ATA in English 1300 GMT 19 Mar 92

[Text] Tirana, March 19 (ATA)—On March 19, at noon, the president of the Republic of Albania gave a press conference in his seat for Albanian and foreign reporters accredited to the press center. Present were also heads of diplomatic representations accredited to our country. The statement of President Ramiz Alia at the press conference says:

The election campaign is coming to an end. After three days it is the people who will have their say, who with their wisdom, intuition and experience will know to cast the vote for the party they prefer, and the deputy they judge to be more honest, more patriotic, and more decisive in defending the interests of the homeland and forging ahead the new democracy in Albania.

March 22 will mark a historic event for the future of the nation. Every honest Albanian wishes that it serves the unity of the people and the consolidation of the order and tranquillity, it gives an impulse to the construction of the country and to put an end to its destruction, to inspire national reconciliation and not the social revenge. We hope that sound logic replaces the party passions, that a social atmosphere of cooperation replaces the tense atmosphere.

March 22 is coming. Today the parties are seriously preoccupied for the results to be attained on the election day. But greater should be the preoccupation: What is going to happen later? The party propaganda has nourished the people with the guarantee of the absolute victory. It is important that euphoria is not transformed into a disillusionment. Serious parties prepare themselves and their electorate also with the alternative of the loss. The result of the elections is the people's verdict. All should have the force and courage to submit to their will, being conscious of the major work awaiting us after the elections.

The economic reform is already formulated as a concept. What ought to be changed was changed from the old way of production. But what is going to be built instead of what was thrown away? The essence of the economic reform consists in switching onto the market economy, in giving land to the peasant, in making trade, services, small industries private, in creating conditions for cooperation with foreign capital and its guarantee. These processes, which make up the sole alternative of the country's current development, will finally and lawfully arrange the decentralization of economy, the local and regional autonomy and self-action, the private initiative. Albania should start living as soon as possible on its work and products, it should resume its economic activity.

The constitutional reform initiated with the first Albanian pluralist parliament. But this parliament provided the country only an incomplete and temporary Constitutional Law. The adoption of a new modern constitution is an indispensable condition for issuing in the future a series of new codes and laws, so that our society might part from the old relations and establish new relations that have emerged and will emerge in Albania. We cannot advance with a temporary constitution, temporary laws. Temporariness is a factor of instability.

The institutional and administrative reforms are equally important with the constitutional one. Human rights and freedoms are not guaranteed simply because they were proclaimed. Basic condition for this is an efficient division and independence of powers. Besides, the law making power we need [is] an independent and strong judicial power which presupposes the perfection of courts and their system, as well as the placing of judges in such conditions which would enable them to be more effective and impartial in accomplishing their duties.

If after the elections we would want a strong executive power, with an efficient central government, it would not be able to carry into effect its programme without a local power elected and organised in the form and manner demanded by the time. It should be said that, while the parliamentary elections are on the verge of concluding, those of the local power are delayed.

The main problems that should be solved through these reforms are the economic and political stability of the country, the insurance of freedom, independence and sovereignty, the realization of national ideals. The destiny and future of our brothers beyond our state borders are linked with these. These issues are vital to the destiny of democracy and the Albanian nation. All Albanians, despite the political and ideological convictions are interested in their solution.

The actual developments in our country and nearby areas are fraught with serious dangers for the sovereignty and freedom of the homeland and for the destiny of the Albanians living in the ex-Yugoslav federation. Insatiable appetites are manifested by some chauvinist circles of the great idea. It is excessive to speak of the dangers menacing the Albanians in Kosovo and elsewhere and together with them our republic too. No Albanian can be indifferent in these situations, despite the convictions and the political force he pertains to.

It is not the foreigners who would guarantee the defence of the country and the interests of the nation. It is indispensable and imperative for the Albanians to become masters of their homeland and to know how to defend themselves and their rights.

The solution to these vital questions demands the finding of a common language and not creating hindrances of a political force towards another. It is up to the parties to create a climate of principled cooperation for solving the problems the country is faced with. This is what the homeland is demanding, this is what the people is expecting. A climate of cooperation and common language does not necessarily mean extinction

of ideopolitical borders and of polemics among the various parties, either necessary division of the power the electorate will entrust them with.

Constructive cooperation is the most perfect form of the functioning of multiparty democracy, it is the appeal of the Albanian people, it is an urgent necessity to come out of this profound material and moral crisis and to renew the confidence and hopes of the people. I wish to address this appeal to all the political forces on this eve of elections.

Berisha Urges Activists To Vote, Watch Polls

AU1903210192 Tirana Radio Tirana Network in Albanian 1830 GMT 19 Mar 92

["Declaration by Democratic Party Chairman Sali Berisha"; place and date not given]

[Text] The Democratic Party [PD] calls on all its members and supporters to intensify their electoral campaign in every home of every village and every neighborhood of every town in the three final days remaining to us. It asks its branches and parliamentary candidates to take thorough measures to strictly and rigorously check the polling stations on election day. They must redouble their inspection, sending their observers to every polling station. They must watch the polling stations until the voting and the vote counting is completed. PD activists must also remain at the polling stations in order not to allow any violation of the electoral regulations. The members of the polling station commissions and the observers must each receive a signed and sealed copy of the electoral protocol showing the voting results. The movements of documents showing the results of the voting must be accompanied by PD activists and people appointed by them.

The PD also calls on all young people and all those who have not obtained an identity card or passport to insist on being issued with a birth certificate by the Registrar's Office and to use this certificate to vote. We ask young soldiers, if they do not have their military service card or their identity card, to insist on being supplied by their officers with a certificate with a photograph. Every citizen must also verify that his name is entered on the electoral roll.

We must not forget that any failure to vote is a vote for the Socialists and a loss for democracy. There is no room for the slightest doubt in this situation. We must all fight for as complete a victory as possible and to reduce the Socialist Party's vote to a minimum.

The PD also instructs its activists and supporters to take urgent measures to provide lighting in the polling stations, because the social-communists will inevitably resort to tricks and skulduggery to plunge the premises in darkness while the votes are counted. Be equipped with candles and lanterns.

The PD denounces the slanders spread by the Socialists in Albania and among Albanian refugees through their stooges in our embassies that allege that an opposition victory and the establishment of democracy in Albania will mean that host countries will return refugees to Albania. The PD assures you that the results of the election and the victory of democracy will not have the slightest negative influence on their circumstances.

The PD calls on all Albanian intellectuals to commit themselves in these three vital days to a sound, balanced, calm, and honest electoral campaign in order to explain once again the importance for the Albanian people of voting on 22 March, voting for democracy. The PD calls on its members and supporters to welcome the results of the elections calmly and with joy. The result will be victory. The PD will accept the election results and will do its utmost to prevent any kind of manipulation or trap that aims to upset the political climate.

Berisha Given 'Enthusiastic Welcome' in Shkoder

AU1903221792 Tirana Radio Tirana Network in Albanian 1830 GMT 19 Mar 92

[Text] Television correspondent Timo Luto reports that Democratic Party Chairman [PD] Sali Berisha set off for the north early this morning. At 1000 he met with PD members and supporters and other inhabitants of Kukes. Shefqet Hoxha, chairman of the PD Kukes Branch, opened the rally.

Dr. Berisha said in his speech that I have come here in the hope that this time you will vote for yourselves and for Kosovo, which is so close to your hearts. There are no regions in Albania more backward than Lume and Has. What have you gained from communism? Only misery and scorn. The votes you gave to the Party of Labor last year only led to destruction, looting, and murder. Therefore, do not give your votes any longer to those who have deceived you all your lives. Vote for democracy, and get rid of communism and your misery once and for all.

Dr. Berisha then set off for Fushe Arrez. Hundreds of inhabitants and PD supporters filled the town square. After PD Branch Chairman Leke Hajdari opened the rally, Dr. Berisha mounted the rostrum. He said that by voting for the PD on 22 March you will put communism behind you once and for all. It is not easy to forget half a century of suffering and misery. He called on people to vote for the PD, because this is the way to vote for democracy, your freedom and prosperity, and our unity and brotherhood. Our victory, he concluded, will not lead us to take revenge. No, we will respect free men, regardless of their political convictions.

Dr. Berisha went next in the direction of Shkoder. Hundreds of Shkoder townspeople had come in their cars to meet PD Chairman Dr. Sali Berisha at the entry to the town of Puke and at Gomsiqe and Vau i Dejes. They proceeded in an entire column toward Shkoder, where virtually the entire city had come out to meet him and give him an enthusiastic welcome.

The rally was especially enthusiastic, and Dr. Berisha's electoral propaganda for the PD was in fact superfluous. Many ardent PD supporters mounted the platform, which made it hard to hear the speeches of Dr. Berisha and others. Nevertheless, the enthusiasm of the PD supporters meant that Dr. Berisha's visit fulfilled its purpose.

Dr. Berisha also had a short meeting today with the inhabitants of the town of Koplik.

Council of Ministers Examines Food Supply

AU1603181292 Tirana Radio Tirana Network in Albanian 1430 GMT 16 Mar 92

[Text] The Council of Ministers met today under the chairmanship of Prime Minister Vilson Ahmeti and examined problems of the food supply, maintaining order, and organizational measures for the parliamentary elections, etc. The government listened to reports from the ministers of food and light industry, home trade and tourism, the economy, and foreign economic relations on the present situation in the supply of staple foods and the prospects for the coming months. They pointed out the difficulties faced recently in obtaining some items. The reports revealed that the supply of food is continuing and that the contingents that are arriving will ensure the levels of consumption of staple foods such as meat, oil, sugar, flour, etc. until April. In the meantime, the relevant ministries are working to accelerate the delivery of the food aid granted by the European Community. They are also working to obtain credit that will be used to buy food.

The government later listened to a report of the minister of public order on the situation and the measures taken to stabilize and maintain order during and after the electoral campaign. The Council of Ministers discussed this problem at length, approving specific measures to support the police and to ensure that the elections take place normally, freely, democratically, and without incidents.

The Council of Ministers also listened to the report of the special secretary for elections about the technical and organizational measures taken to conduct the electoral campaign and the 22 March elections. The report made clear that the material and organizational conditions have been created for elections to be held normally in accordance with the law.

The Council of Ministers then considered a series of draft decrees in various areas and made the relevant decisions.

Foreign Ministry Calls For Dialogue on Moldova

AU1903162292 Sofia Khorizont Radio Network in Bulgarian 1530 GMT 19 Mar 92

[Report on "Declaration of Ministry of Foreign Affairs" issued in Sofia on 19 March—recorded; read by Foreign Ministry spokesman Veneta Momcheva over the telephone]

[Text] The Ministry of Foreign Affairs of the Republic of Bulgaria has issued a declaration that expresses anxiety and concern over the development of the situation in the Republic of Moldova, especially regarding the armed clashes and human casualties in the Transdnestr region. The ministry's concern is all the greater because the matter concerns a geographically close and friendly country which contains a compact population of Bulgarian nationality numbering many thousands. The Republic of Bulgaria is guided by the understanding that solutions to the complex problems in Moldova can only be sought through goodwill and dialogue, while observing the law and respecting the interests of peoples of all nationalities.

The declaration of the Bulgarian Ministry of Foreign Affairs appeals to everyone involved in the conflict to refrain from using force and escalating tension, and to engage in dialogue in order to overcome the crisis by peaceful political means. The conflict must not be permitted to intensify, the document states, and it expresses the hope that Romania, Russia, and Ukraine—as neighboring countries—will exert their influence and make efforts to achieve a lasting solution of the conflict in accordance with the Helsinki principles and the other international legal accords.

Ministry on Problems Posed by Turkish Classes

AU1703145792 Sofia BTA in English 1438 GMT 14 Mar 92

[Text] Sofia, March 17 (BTA)—Some problems arose after the Ministry of Education and Science issued the decree on the mother tongue study at the Bulgarian schools, a press conference at the ministry was told today. All ethnic groups which applied for their children to study their mother tongue have received a positive answer. Problems are being created by groups guided by nationalistic feelings. They are trying to hinder the study of Turkish at the Bulgarian schools. A ministry's official disproved the rumours that Turkish classes are held at the expense of Bulgarian ones.

There is another problem in the areas populated by Bulgarian Mohammedans. They do not belong to the ethnic group for which Turkish is its mother tongue. "We consider unfounded the claims for the study of Turkish by people who do not know even a single word in Turkish," the ministry's official stressed. However, the necessary conditions have been created and those Bulgarian Mohammedans who wish to can learn Turkish as a foreign language by attending Turkish classes organized out of school. Another problem of the study of Turkish at the Bulgarian schools is that in some places there are not qualified Turkish-language teachers. The ministry intends to do its best for the training of Turkish teachers.

Press Views Decision To End Uranium Production

AU1903122192 Sofia BTA in English 1141 GMT 19 Mar 92

[Text] Sofia, March 19 (BTA)—The press is publishing reactions to the government's decision to close down uranium production and is reporting on miners' protest actions against this decision. The authorities are to choose between the uranium production, which poses environmental hazards but provides employment, and the protection of the miners' health and the environment. Today's "DEMOKRATSIYA" carries a signed article headlined "How Many Lives Does a Kilo of Uranium Cost?".

An expert examination at the rare metals company in 1991 commissioned by minister of industry and trade Ivan Pushkarov found out that production costs exceeded receipts from the export of uranium by 1,200 million leva in the 1976-1990 period. The experts found out that uranium extraction is hampered by the location of the deposits, their small size, unequal distribution and low uranium content. At the present rate of extraction the commercial deposits will last for 15 years. The cost price of one kilo of uranium produced in this country is 60 U.S. dollars as against 22-23 dollars per kilo on the world market. The geotechnological methods of extraction employed in this country cause radioactive contamination and pollution of the soil and water with sulfates. There is still no information about the radiation to which the miners have been exposed and the hazards to their health, today's "DEMOKRATSIYA" writes.

The other aspect of the problem is the employment of people who will lose their jobs after uranium mining is closed down. Experts expect their number to reach 8,000 to 12,000. In the last couple of days, the Miners' Federation with the Podkrepa Labour Confederation issued another declaration to the government. Dimitur Mladenov, chairman of the Miners' National Strike Committee, stated that this declaration gives the cabinet "a last chance to avoid the strike, which will otherwise turn into a nationwide one." Miners motivate their protests with the fact that the closure of uranium and lead production will deprive the population of entire regions of livelihood, leaving many families without any income. Some experts believe a solution could be found. They suggest that part of the dismissed miners be employed in dismantling the equipment and soil regeneration. Others can be retrained and employed in coal mining, where there is a labour shortage. Discharged drillers can be employed in prospecting for other mineral resources.

Meanwhile, Veselin Veselinov, manager of the Rare Metals Company, told the press that the German Ministry of Industry is willing to grant 1 million dollars for the restructuring of Bulgaria's uranium mining. Although well-grounded, the government's decision to close down several mines is rather premature, experts believe. According to them, the state should provide more tangible protection to this sector. It should conclude long-term trade agreements with foreign partners, harmonize relations between uranium producers and users and attract foreign investment. A solution is yet to be found.

Foreign Ministry Warns Against Libya Boycott

LD1903185392 Prague Stanice Ceskoslovensko Radio Network in Slovak 1800 GMT 19 Mar 92

[Text] The Federal Ministry of Foreign Affairs has drawn attention to the possible consequences if Libya is subjected to a boycott which the UN Security Council might declare if Libya fails to extradite its citizens who are suspected of terrorism involving the air crash near the Scottish town of Lockerbie in 1989 and who would face criminal proceedings. Libyan official circles have informed the Czechoslovak Embassy in Tripoli that if sanctions are introduced Libya will consider closing its territorial and maritime borders.

The Czechoslovak Ministry of Foreign Affairs has also pointed out that if sanctions are applied the Libyan Central Bank will not be able to meet its obligations toward foreign companies which are involved in economic projects in Libya. This would have negative consequences on the payment of foreign workers in Libya.

Dobrovsky Affirms Need for Common Army

AU1903152892 Prague SVOBODNE SLOVO in Czech 17 Mar 92 pp 1, 4

[Interview with CSFR Defense Minister Lubos Dobrovsky by unidentified SVOBODNE SLOVO correspondent, place and date not given: "The Army's New Image"]

[Excerpt] [passage omitted] To whom do screenings in the Army apply and what is their outcome?

[Dobrovsky] Under the law, screenings apply to those posts in the Army that are executed by colonels and generals as well as to military and air attaches. We submitted a list to the Ministry of Interior with more than 6,500 people who are subject to screening. The first around 250 persons have now received their attestations from the Ministry of Interior, which will be handed over to the chiefs. The results will be known only after the deadline set by the screening law expires. The results of screenings of the additional more than 6,000 Army members will be arriving gradually, depending on the physical processing capacity of the Federal Ministry of Interior staff.

[SVOBODNE SLOVO] What will basic military training look like in the future?

[Dobrovsky] I hope that it will last only one year. That is our objective, but the final decision rests with parliament. I assume that national service will be filled with very intensive training so that young men do not feel that they have wasted their time in the Army.

[SVOBODNE SLOVO] There have been several instances of thefts of weapons in the Army recently. How do you approach this situation as minister of defense? Have the culprits been punished?

[Dobrovsky] We approach these cases as we do any other thefts. It goes without saying that I want to see the perpetrators revealed, indicted, and tried. We have initiated criminal proceedings in all cases in which we tracked down the culprit. We have also taken very rigorous personnel measures, in accordance with the disciplinary code, in all cases when we discovered that the conditions allowing the thefts to take place were created by the negligence of some career soldiers. In many instances, these people have had to leave the Army.

[SVOBODNE SLOVO] Has some kind of a crisis scenario been prepared concerning developments in the Army in the event our state breaks up?

[Dobrovsky] There is no reason to prepare any crisis scenarios because, even if the Slovak Republic were to separate from the Czech Republic in some way, this would always have to happen by constitutional means and, consequently, there would be no crisis. We would mutually determine the method of conducting further talks. Besides, I am being constantly assured that the responsible Slovak politicians understand the need for a common Army, even if the two republics drift further apart than is the case now. They understand that the defense of the Czech Republic and the Slovak Republic is something that must be perceived as a common task.

Pithart Interviewed on State Structure

LD1803100192 Prague Stanice Praha Radio Network in Czech 1800 GMT 17 Mar 92

[Interview with Czech Prime Minister Petr Pithart by correspondent Zdenek Honec; place and date not given—recorded]

[Excerpts] [Honec] Mr. Prime Minister: During our last interview you said that the Government of the Czech Republic would follow the celebrations in Slovakia marking the foundation of the Slovak state very attentively, in view of the public Slovak stance as well as of the situation on the Slovak political scene and the Slovak Government position. What is your assessment?

[Pithart] It has become clear—and I am happy about this—that it was wrong to think that it was going to be much a bigger event, that the Slovak National Uprising Square was going to be crowded for all those four days. It has become clear that—and this was a surprise—less people attended than last year. According to our information, the Slovak public showed a mature attitude, i.e. more or less not paying attention to it, and also the activity of the bodies of the state power was correct, as far as I know. Thus there is no reason for alarm. [passage omitted]

It has become clear that the national element in Slovakia's effort to achieve greater, or even total, independence does not need to be the decisive one. There is a motive which is stronger and more understandable emerging here—I mean Slovakia's different attitude

toward economic transformation. Everything seems to indicate that people in Slovakia do not consider it necessary to progress so quickly and to sacrifice so much on this path toward a fundamental change in our economic system. It is understandable that Slovakia does not feel the decline, that horrible decline, as strongly as it is felt by the Czechs. [passage omitted]

We keep stressing that we used to be in 6th place—some people say 7th place, let us say we were in 10th place in the world as far as leve of development is concerned. And where are we now? Slovakia has not gone through this experience. [passage omitted]

This really means that they are currently following a path which is not quite parallel with our own path, and here I see a number of reasons for possible complications in our mutual relations and for the will to preserve our common state. Thus, national passions and feelings are not necessarily as important as they seemed to be.

[Honec] Nevertheless, I would like to return to the fact that the majority of political parties did not celebrate 14 March. [passage omitted]

[Pithart] Is the choice really only between the existing federation and an independent Slovakia?

I am deeply convinced that many citizens and a majority of the political groupings are in favor of a looser form of federation, a looser form of state. We are campaigning against this not because of prestige, insisting on the federation simply because we once stood for this. We are aware of this fact especially at this time, when we find ourselves on the most sensitive part of our path toward a market economy, when it is necessary for the federation to really have important powers. [passage omitted]

[Honec] Mr. Prime Minister, tonight there will be a radio debate on the subject of the set-up of the Czech Republic. Although the issue is connected to a certan degree with the structure of the federation, I would like to focus my question on Moravia and Silesia.

[Pithart] I would like this issue to be connected with that of the federation, too. I would be really pleased if we could agree on the principle of a land [spolkovy] state. This structure has long been successful in neighboring Austria and Germany.

Unfortunately, the Slovak side does not have the courage to abandon the principle of a nation as the first and decisive one. A federative land system cannot possibly be based on national principles. Naturally, there are Moravians who maintain that Moravians are a nation. The majority of people, however, see that we are all citizens who live in three lands. The division has its reasons, and not just historical ones. We would, however, have to put the principle of a nation somewhat on the backburner when deciding on a federative land system. [passage omitted]

I do not see a ready solution to the problem and I am not surprised. It is not exceptional. There were quite a few changes in our state during the prewar period. [passage omitted]

Meciar Platform Envisages Slovak Sovereignty

LD1803225192 Prague CSTK in English 1810 GMT 18 Mar 92

[Text] Bratislava March 18 (CSTK)—The draft election programme of the Movement for a Democratic Slovakia (HZDS) envisages declaration of the Slovak Republic's sovereignty and adoption of the "presidential variant" of the Slovak constitution under which Slovakia would elect its own president. This was stated by the HZDS chairman, Vladimir Meciar, at a news conference today. Meciar, who was Slovakia's premier from June 1990 till April 1991, also said his party will seek a referendum on the form of coexistence of Czechoslovakia's two (Czech and Slovak) constituent republics, and an agreement between the two republics based on the results of the referendum.

Running for the HZDS in the June general elections will be top Czechoslovak Trade Union leader Roman Kovac, former Czechoslovak Prosecutor-General Ivan Gasparovic (recalled from his post March 2 for deficiencies in the functioning of the General Prosecutor's office), and former chairman of the Slovak Anti-Monopoly Office Ladislav Dolgos, Meciar said. The leftist HZDS was formed by Meciar in spring 1991, after his faction broke away from the Public Against Violence (VPN), Slovakia's landslide winner in the 1990 elections and a sister organisation of the Civic Forum in the Czech Republic.

Meciar's party is by far the strongest in Slovakia with about 40 per cent support. It opposes radical economic reforms, pointing out growing unemployment in Slovakia. (With a population of about 5 million, Slovakia had 319,384 jobless at the end of January, 17,000 more than one month earlier). The HZDS election programme wants an end to be put to the "unitarian scenario of economic reforms in Czechoslovakia". HZDS leaders say they have their own strategy of continuing the reforms.

Slovak National Party Urges Independence

LD2003095192 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1730 GMT 18 Mar 92

[Text] At the coming meeting of the Slovak National Council, the Slovak National Party will submit a proposal to declare the sovereignty of the Slovak Republic. This was stated at a press conference in Prague today by the chairman of the Party, Jozef Prokes. He went on to say that, if the deputies from the Slovak National Party in the Slovak National Council do not receive an adequate reply to the interpellations concerning privatization, they will support recalling Ivan Miklos from the post of minister for administration and privatization of national property.

At today's meeting with journalists, Peter Brnak, chairman of the Slovak National Democratic Movement, expressed the view that the catalyst at the coming elections will not be political orientation, but, rather, the question of the state administrative structure. He also noted that, among the significant political parties, only the Slovak National Party, in coalition with the Slovak National Democratic Party, is entering the elections with a clear idea about the future of Slovakia as an independent entity.

Communists Link Police Search, Editor's Arrest

AU1903164492 Prague CSTK in English 1340 GMT 17 Mar 92

[Text] Prague March 17 (CSTK)—Czechoslovak Police on Monday [16 March] searched the Prague offices of the Federation of the Communist Party of Bohemia and Moravia (KSCM) and the Slovak Democratic Left Party (SDL—former communists), KSCM spokesman Blanka Robejskova today told CSTK.

In an interview with CSTK, the chairman of the Federation Council of the KSCM and SDL, Miroslav Grebenicek, said he believed the police was looking for materials concerning the activities of the RUDE PRAVO newspaper when it belonged to the Czechoslovak Communist Party. RUDE PRAVO became an independent newspaper in 1991. Current chief editor of the newspaper, Zdenek Porybny, was detained Monday for questioning by Federal Police and is currently being charged with fraud and illegal business practices.

"This definitely has to do with the past of RUDE PRAVO. Chief editor Zdenek Porybny has not been in the building of the Federation Council for a very long time", Grebenicek told CSTK. On Monday police came to the Council's offices with a search warrant from the Czechoslovak prosecutor, but apparently did not remove anything from the building, he said. "We know we are an opposition newspaper and that we are watched very carefully", said the deputy chief editor of RUDE PRAVO, Lubor Kazda. Federal Assembly Deputy Miroslav Grebenicek today protested against violation of his deputy's immunity, in connection with Monday's search of the Council of the Federation of the KSCM and the SDL Secretariat offices by Czechoslovak Police.

He told CSTK he lodged a complaint with Czechoslovak Prosecutor General Martin Lauko, Federal Assembly Chairman Alexander Dubcek and the investigator, Major Stanislav Mraz. "I take a critical stand on the whole affair as I do not consider it a way towards building a law-observing state," Grebenicek said.

The chairman of the Federal Assembly (parliament) Club of KSCM Left-Wing Deputies, Josef Mecl, has asked the parliament to take measures to protect deputies in connection with Monday's police search of the Council of the Federation of the KSCM and the SDL. Under the parliament rule of procedure, such a search may be carried out only on the basis of a preliminary agreement by the parliament chairman. Secretary of the KCSM Club Vaclav Pecka told CSTK. According to him, no such agreement was presented by the policemen carrying out the search.

According to the KSCM spokeswoman, the search was carried out on the basis of a warrant from the Czechoslovak prosecutor general The Federal Interior Ministry Press Department has refused to comment on the search. According to the parliament chairman's secretariat, Dubcek did not issue any written approval for the search and was not informed about it.

State Bank Details 1991 Economic Success

LD1803214792 Prague CSTK in English 1617 GMT 13 Mar 92

[Text] Prague March 18 (CSTK)—The Czechoslovak State Bank considers the year 1991 very successful for the stabilisation of the Czechoslovak economy as positive changes were achieved in the structure of the economy and in foreign trade, the banks's governor told journalists today. Josef Tosovsky further stated that after a sharp rise in prices at the beginning of 1991, prices were gradually stabilised in the course of the year, and last February the price index rose by only 0.5 per cent.

Last year was also positive as regards the balance of payments, with Czechoslovakia's surplus in convertible currencies exceeding 300 million dollars. Czechoslovakia's gross foreign debt in convertible currencies totalled 9,400 million dollars on December 31, 1991, foreign currency reserves are now about 1,400 million dollars, with a slightly increasing tendency, Tosovsky said. This year, the State Bank envisages its credits will be 13 per cent higher than in 1991. Credits to companies will increase by 10 per cent (about 70,000 million crowns, i.e. 2,400 USd). The State Bank expects this year's inflation rate to reach 12 per cent, and the real gross home product (GHP) to decrease by 5- 8 per cent, which means a nominal GHP growth of 4-7 per cent.

Broadcasting Official Describes New Council Tasks

LD1803214292 Prague Stanice Ceskoslovensko Radio Network in Czech 1700 GMT 16 Mar 92

[Excerpts] The Federal Council for Radio and Television Broadcasting [FCRTVB] has been approved by the Federal Assembly and its membership is now complete. Milada Richterova asked Milan Jakobec, one of the Council's members, about its aims and tasks.

[Begin recording] [Richterova] Why has the FCRTVB been set up?

[Jakobec] It was set up to decide the new system of broadcasting, a democratic system which we are to have, which will be a parallel system consisting of a public-legal system and private broadcasting. The decisions made will be those on the private competitors of the Czechoslovak, Czech, and Slovak Radios and they must

come from as balanced a group as possible. The groups will defend various social, political, and other interests of the population or listeners.

The Federal Council [FC] has been drawn up from three categories of people, that is, prominent personalities of the public and cultural life, and experts. Which means the division into categories has not reflected political allegiances. [passage omitted]

[Richterova] It will be in your power to grant licenses to private stations, both radio and television stations. How will you safeguard independence and objectivity?

[Jakobec] We are very glad that the radio stations already exist. It means that we have gained experience which can be used in inviting tenders from new radio stations, mainly those that will be national. The only experience we have had so far really concerns local radio stations. [passage omitted]

[Richterova] Your activity does not just cover radio and television staff and employees. Do you think your work will bring about some positive changes for the listener and the viewer?

[Jakobec] I should hope so! Mainly in the area of the variety of what we are able to offer. The privatization of the air waves, as it is sometimes called, brings possibilities of concentrating on various interest groups. There are enough frequencies for stations representing not just the middle-brow, average taste but also fringe interests. [passage omitted] [end recording]

Farmers Review Losses, Outline Policy Requests

AU1903162192 Prague HOSPODARSKE NOVINY in Czech 17 Mar 92 p 2

[PB report: "Unprofitable Agriculture; Livestock Yields and Numbers Have Declined"]

[Text] The prices of agricultural input went up almost 50 percent last year, compared with 1990. Prices for electricity went up 117 percent, spare parts and tires 98 percent, and agricultural machinery 74 percent, while the procurement prices for farm products increased only 3.8 percent. While procurement prices in crop farming increased 10.1 percent, the procurement prices of livestock products reached only 99.8 percent of their 1989 level. At the same time agricultural subsidies and grants were cut and interest rates were raised. Consumption of food on the domestic market declined almost 22 percent, which led to the creation of large surpluses of beef, milk, and dairy products and to great problems with marketing these surpluses.

Addressing a news conference in Prague yesterday, representatives of the nationwide Farmers Cooperative Union [RDS] noted that, as a result of this development, 73.5 percent of all agricultural cooperatives (63.4 percent in the Czech Republic and 89.8 percent in the Slovak Republic) operated at a loss last year. At 87.1 percent, the proportion of state farms operating in the red was even higher. Total losses in primary agricultural production amounted to 21.1 billion korunas last year. The farmers' representatives expressed serious concern about the substantial decline in the number of all types of livestock. The cattle herd declined by more than 13 percent in 1991, which represents 600,000 head of cattle. The decline for poultry was 15 percent and for sheep 23 percent. The reduction of livestock yields was also severe: Daily milk yields declined by more than one liter, which represents an annual decline of 380 liters per dairy cow.

To improve the situation, farmers are demanding lower taxes on diesel fuel for agricultural enterprises. A 70 percent reduction of the current tax rate would represent an annual savings of 4.8 billion korunas. The farmers believe that the payroll tax should also be cut from 50 percent to 25 percent. They also consider the interest rates for biological stocks to be too high, and would like to see them reduced to below 10 percent.

[Prague MLADA FRONTA DNES in Czech on 17 March on page 11 carries a 300-word Jindrich Stepanek report on the RDS briefing. The report includes the following table that was presented at the briefing by RDS representatives:

Livestock in CSFR Agricultural Enterprises

Type	As of 31 Dec 1990	As of 31 Dec 1991	1991 as Proportion of 1990
			(in total percent)
Cattle	4,772,000	4,168,000	87.3
Number of cows	1,702,000	1,476,000	86.7
Pigs	6,471,000	6,350,000	98.1
Poultry	38,481,000	33,022,000	85.8
Sheep	601,000	466,000	77.5

Serbia Said Ready To Settle Bilateral Relations

LD1903230792 Budapest Kossuth Radio Network in Hungarian 1800 GMT 19 Mar 92

[Text] Serbia is ready to settle relations with Hungary, according to the chairman of the Belgrade parliament's Foreign Affairs Committee. Aleksandar Prlja reported on his talks with members of the Alliance of Free Democrats. He described the talks as fruitful and effective. The Serbian parliament's foreign affairs representative said he thought that Hungary's attitude during the fighting in Croatia had been harmful, but Belgrade is willing to overlook this.

Government To Study Arms Ban Plan Against Libya

LD1903212992 Budapest MTI in English 2024 GMT 19 Mar 92

[Excerpt] Budapest, March 19 (MTI)—Arms delivery and air traffic restrictions against Libya are included in a draft resolution to be jointly submitted to the UN Security Council by France, Great Britain and the United States. The draft was forwarded to the Hungarian Government by the three countries' ambassadors here, government spokesman Balazs Laszlo said at a briefing today. A non-permanent Security Council member since January 1 of this year, Hungary has a vote on the matter. The Security Council is comprised of five permanent members and seven rotating temporary countries. The Foreign Ministry will study the draft, Laszlo said. Libya has been accused of air terrorism, among other activities, in the 1988 bomb explosion of a Pan Am flight. [passage omitted]

Annus Comments on Visegrad Three, NATO

LD1803122992 Budapest Kossuth Radio Network in Hungarian 1730 GMT 16 Mar 92

[Interview with Lieutenant General Antal Annus, administrative state secretary at the Defense Ministry, by unidentified reporter, in the studio—live]

[Excerpts] [Reporter] Mr. State Secretary, in recent times we, and not only we but the Czechoslovaks and the Polish as well, have spoken with growing enthusiasm about cooperation between the Visegrad Three and NATO. After the recent seminar you stated that the specific practical tasks of cooperation have already come into the foreground. What are these specific practical tasks?

[Annus] Yes, the issue boils down to this, because up to now, mainly political statements have been made. The questions of cooperation were raised more concretely at the bilateral meetings and also at the tripartite defense ministers meeting in Budapest. The issue here is that the three countries, led by their common interests, wish to create and maintain the widest possible relations, because joining NATO at present is not on the agenda. [passage omitted]

[Reporter] Let us speak about cooperation between the Three. Is there cooperation among the Three in working out defense concepts?

[Annus] There is an exchange of views, several consultations have been held. The area of defense policies is one of the issues which was also raised in Warsaw by several people. In our view as well, this is an area which demands very close cooperation, exchanges of views, and coordination, where there are also very serious opportunities. [passage omitted]

[Reporter] Is there cooperation between the Czechoslovak, Polish and Hungarian sides on military intelligence?

[Annus] I believe this is not a matter for public discussion anywhere in the world, and not with us either. Please understand this. [passage omitted]

[Reporter] I am interested in knowing whether there is some kind of coordination among the three countries in the removal of the people who lost out during the old party state.

[Annus] I do not know of such coordination.

[Reporter] During our talks with the Czechoslovak side, did we complain that the Army has been redeployed by our northern neighbor and that military forces have been moved from the western border to the vicinity of the Hungarian border? As far as I know, this resulted in some difference of views.

[Annus] This issue was not specifically raised. There is a simple reason. Each of the three countries is an independent and sovereign country and establishes the conditions of its defense independently. [passage omitted] Information has been and continues to be given on this. We act similarly, we handle these issues with complete openness, and this is what we expect from the others as well. [passage omitted]

[Reporter] Is there a difference of opinion among the Polish, Czechoslovak, and Hungarian sides on the extent to which the defense industry should be reduced? It is well known that the Slovaks have already signalled that a further reduction in arms production would cause a rather serious unemployment problem. How do we relate to this?

[Annus] First of all I wish to stress that there is no difference of opinion among us regarding this. The issue is simply that the Czechoslovak and Polish defense industries have a different significance within all of industry. [passage omitted]

[Reporter] For the first time the defense ministers of NATO member states, with the exception of France, will meet their eastern counterparts in Brussels on 1 April. What can be expected from this meeting?

[Annus] I think the word historical is used too often. However, without further degrading this expression, it

will in fact be a meeting of historical importance. It will be the first meeting of this kind. The importance of this, in my view, is that they will be able to deal with the specific issues of cooperation even in the circle of defense ministers.

MDF's Kiss Assesses Role of Left-Wing Parties

AU1703151092 Budapest NEPSZABADSAG in Hungarian 14 Mar 92 p 7

[Interview with Csaba Gy. Kiss, one of the founding members of the Hungarian Democratic Forum, by Lajos Pogonyi; place and date not given: "The Plebeian Attitude Has Disappeared From the MDF"]

[Excerpts] One can increasingly hear from some coalition party politicians about "a leftist danger in Hungary." To what extent is this "danger" a real one? We asked Csaba Gy. Kiss, who is one of the founding members of the Hungarian Democratic Forum [MDF] and one of its deputy chairmen in the period between June-December 1990. [passage omitted]

[Pogonyi] Why would it be such a bad thing if the role of the left wing increased in Hungary?

[Kiss] According to the party distribution in Europe, it is natural that the center, the center-left, or perhaps the center-right will again gain power at the next elections. At the same time, it is also natural that the parties in the current coalition are struggling to win at the next elections. The search for an enemy image in the domestic political competition by both the government parties and the opposition is not a nice thing. They consider the things that they oppose, rather than the things they want. I do not agree with this style.

[Pogonyi] According to MDF Executive Chairman Lajos Fur, there is a much greater danger of a leftist turn than of a rightist one.

[Kiss] One should examine the context in which this statement was made. As I said, it is natural that the MDF wants to win the elections again, and the arbitrary use of the leftist concepts is useless. One can fear from two dangers in Hungary. Extremism represents one such danger. The Bolshevik left is as extremist as fascism. A fragmented political life represents the other danger, and this already took place during the latest elections in Poland. I also regard as alarming the relations between the MDF and the Alliance of Free Democrats [SZDSZ]. [passage omitted]

[Pogonyi] How serious is our prime minister's recent declaration according to which there is a great need for a real and modern left-wing movement because, according to several MDF-leaders, an advance or possible victory of the opposition or of the left wing would lead to a change in the regime?

[Kiss] I think that the advance of our domestic party relations in the direction of the party structures prevailing in Europe is a healthy process. The Western European concepts of left wing and right wing have also become relative. Hungary also needs a center-left field. I do not think that a possible advance or victory of the left wing would lead to a Bolshevik restoration. Thinking in terms of two poles is a communist heritage, and this does not only apply to the MDF deputies. The electorate is not satisfied with this, either, and this will become apparent in the elections scheduled for 1994. [passage omitted]

Statistics Show Cooperatives Need Government Aid

LD1703155292 Budapest MTI in English 1300 GMT 17 Mar 92

[Text] Budapest, March 17 (MTI-ECONEWS)—Preliminary balance sheet figures indicate that agricultural cooperatives came off rather worse than expected last year, a report released by the National Association of Agricultural Cooperatives (MOSZ) reveals.

Even in 1990, which will go down in history as the driest year this century, farms registered a total loss of only 4.7 billion forints, whereas, according to MOSZ figures covering all but 70 cooperative farms, the total 1991 loss these farms made will be near 19 billion forints, with profits only mustering 5 billion forints.

About two-thirds of all cooperatives—around 800 of them—are estimated to have gone into the red last year. Small farmers are in no better a position, according to the MOSZ survey, primarily because livestock breeding is predominant in that sector. The drastic drop in the number of animals kept by private farms suggests that many farmers are actually going out of business because of heavy losses.

MOSZ argues that without substantial government support, the future will be bleak indeed, with mass bankruptcies and a dramatic decrease in agricultural production, all of which would also involve a massive drop in the country's agricultural exports.

Walesa Seeks Referendum on New Constitution

LD1903224792 Warsaw PAP in English 2133 GMT 19 Mar 92

[Text] Warsaw, March 19—During a press conference held at the Sejm (parliament) on Thursday President Lech Walesa defended his concept of future constitution being adopted by the nation. "I think that the constitution is such an important work that a large number of people need to be involved in discussion on it to avoid possible future accusations that it was done hastily, in private and without discussion," he said.

The president rejected allegations that his draft constitutional law was aimed to concentrate power in his hands. "I first of all want to stimulate discussion and I leave it for the nation to decide how and by whom Poland is to be governed," Walesa explained. He added he feared that fundamental solutions which are adopted by parliament alone may be subject to changes by successive parliaments. He stressed he wanted to make it impossible for any ruling group to change the law without the consent of the nation.

Asked about matters connected with the reconstruction of the government Lech Walesa declared his support for Prime Minister Jan Olszewski and said he would not like to see a change in the office. He added, however, he was considering several variants of the development of the situation, including a variant of a president-premier "in a situation when Polish problems cannot be solved in any other way". Referring to his remarks made during the recent Solidarity meeting in Gdansk the president denied his statements had been directed against intellectuals. He said his remarks were addressed to those educated Solidarity members who had failed to suggest any solutions and changes in the legal system which would help avoid various economic scandals.

Sejm Committee To Consider Walesa Law

LD1903230692 Warsaw PAP in English 2155 GMT 19 Mar 92

[Text] Warsaw, March 19—After a four-hour debate on Thursday, attended by President Lech Walesa, the Sejm (Lower House) resolved to send the presidential draft law on the procedure of working out and adopting constitution to the legislative committee. A motion of independent Deputy Kazimierz Switon to reject the draft was supported only by 42 deputies, mainly of the Centre Alliance, while 207 were against and 21 abstained.

From among deputies speaking on behalf of parliamentary floor groups, only Jaroslaw Kaczynski of the Centre Alliance stated his caucus could not vote for sending the draft to the committee because the president's initiative was an attempt "to diminish the role of parliament in the process of creating a new constitution."

Under the presidential draft the constitution would be adopted in a nationwide referendum while the National Assembly, that is both chambers of parliament, would only pass a constitutional draft worked out by the constitutional committee. The committee would be made of 17 M.P.s [members of parliament] and 13 representatives of the president, the government, the Supreme Court, and the constitutional tribunal.

Presenting the draft to the Sejm, Secretary of State in the Presidential Chancellery Lech Falandysz underlined the project "was not aimed to undermine deputies' intiatives but to reach a wise compromise. It is an invitation to a creative dialogue on the issue of great significance to the nation," he said. Falandysz suggested a referendum might be held in May 1994, together with local elections. In discussion deputies pondered whether a referendum should be of a decisive or consultative character and criticised the draft for restricting the role of parliament.

"The supreme task and duty of deputies and senators in this term of office is to adopt constitution," Kazimierz Iwaniec expressed the opinion shared by most deputies but added a rejection of the presidential draft "would be an unnecessary political demonstration." After the discussion Lech Walesa, speaking to newsmen in the Sejm building, denied his initiative was aimed to concentrate power in his hands.

Parys: Army Role To 'Supress Strikes' Rejected

LD2003143692 Warsaw PAP in English 1141 GMT 20 Mar 92

[Text] Drawsko Pomorskie, March 20—"The Army will not be used to suppress strikes," Minister of National Defence Jan Parys stated at a press conference in Drawsko Pomorskie, northern Poland, on Thursday. "I do not think the Army needs to enter enterprises and replace striking workers. However, we will help in emergency situations such as the recent strike of the Warsaw ambulance service when soldiers replaced drivers," he said.

Parys expressed his concern over the disproportionally big concentration of soldiers from the former USSR in the Kaliningrad region. "I do not see any reason why there are so many foreign soldiers close to Poland," he stated. He proposed to establish a 50-km buffer zone with the reduced number of soldiers, saying that this should be the subject of negotiations. The minister informed the press that there was no state which wanted to hire Polish military testing grounds, the possibility having been suggested by newly appointed Deputy Defence Minister Radek Sikorski.

Asked by journalists about exports of Polish weapons to Croatia, Parys answered that they were under the inadequate control of the state and, theoretically, a leak was possible but not on a large scale.

Council of Ministers, Sejm Discuss Radio, TV Bill

LD1903154892 Warsaw TVP Television Network in Polish 1830 GMT 18 Mar 92

[No video available]

[Text] During the course of today's Council of Ministers meeting, ministers discussed the draft law on radio and television broadcasting. The president spoke on this matter as well. In his view, the draft is not yet finalized. As the government press spokesman said after the deliberations ended, the president's doubts relate to the imprecise specification of the term of office of the National Radio and Television Broadcasting Council, which would supervise the airwaves. The status of the council's chairman and secretary also need to be clarified. It was decided that a team of lawyers will look at the draft. The document will be returned for government deliberation by next Tuesday.

[Correspondent] The Sejm's Legislative Work and Culture and Mass Media Commissions have been looking at the deputies' draft law on radio and television broadcasting—the so-called Markiewicz plan. There was no discussion on 22 January. Two deputies withdrew their support for the draft at the last moment, and the support of fifteen deputies is required. The Markiewicz draft gained the support of a few more deputies and could be considered today. Work on this law has been going on for almost two years now.

The deputies' draft law assumes the abolition of the Radio and Television Affairs Committee's monopoly and the introduction of the principle of the freedom to broadcast—after obtaining a concession, of course. In accordance with the draft, public television and radio broadcasting bodies are to function in the form of single entity state treasury companies. The draft therefore envisages the creation of the following companies: First Polish Television, Second Polish Television, and regional television companies. Order on the airwaves would be controlled by a National Radio Broadcasting and Television Council, chosen in equal measure by the Sejm, Senate, and president. On the basis of the council's resolutions, its chairman would grant concessions for broadcasting radio and television programs.

[Unidentified deputy] Who appoints the chairman of the National Radio Broadcasting and Television Council—whether the president or the prime minister—or as suggested in some drafts, the Sejm, is a political and basic question. This is very important. There are various ideas here. [end recording]

[Correspondent] Much controversy is still being caused by the call for respect for ethics and universal principles of Christianity by public television.

[Deputy] The point is not whether this is to be introduced or not, but whether laws of this sort ought to contain such evaluative directives.

[Correspondent] Many deputies expressed satisfaction at the fact that the Sejm has started work on this bill. Speed is induced, as Marek Markiewicz claims, by pirate stations, which according to him are socially useful and at the same time illegal. The deputies' draft will now be studied in subcommittees.

Mazowiecki Sees Willingness for UD Coalition Role

LD1903120892 Warsaw PAP in English 1117 GMT 19 Mar 92

[Text] Warsaw, March 19—Leader of the Democratic Union (UD) said Thursday that representatives of the political groupings that form the present coalition are showing genuine political will to see UD as a partner in the government. Speaking on the independent Warsaw Radio Zet Tadeusz Mazowiecki referred to those representatives with whom he had recently talked. He warned, however, he was not sure whether those groups would have enough imagination to agree with the UD on concrete solutions concerning the remodelling of the government and its programme. The UD is of the opinion that it is necessary to get out of the vicious circle of impossibility, and this would be much more difficult if the Olszewski cabinet stepped down. The UD leader said that if his party was to take over some ministerial posts in the reshuffled cabinet, then the number of posts should be proportional to the number of UD's seats in the parliament.

Olechowski Discusses Budget, Economic Policies

AU1903135892 Poznan WPROST in Polish 8 Mar 92 pp 20, 21

[Interview with Finance Minister Andrzej Olechowski by Ewa Szemplinska; place and date not given: "The Boxer"]

[Text] [Szemplinska] Which of the government reports can you identify with more? The optimistic one produced by Jan K. Bielecki, or the one produced by Jan Olszewski which depicts the situation as catastrophic?

[Olechowski] Both reports contain important points. In the first, the emphasis is on strategic solutions regarding external relations, which are factual. The second stresses that difficulties lie ahead of us.

[Szemplinska] Jeffrey Sachs has warned Polish politicians against using scare tactics.

[Olechowski] That is a sound view, but if all is well then why are things so bad? If it has to be stated before parliament that budget cuts are essential and approval for those cuts has to be obtained, concealing difficulties for the sake of improving the way people feel is senseless. To my mind, the report shows why drastic decisions regarding savings have to be made.

[Szemplinska] As a member of the Council of Ministers told me, "the danger is not only that some deputies will

fail to appreciate why budget cuts are necessary, but that part of the government will fail to as well."

[Olechowski] Please do not frighten me at the outset.

[Szemplinska] But you wanted the post. What made you decide to accept it at such a difficult time, a post in a government that is not popular and does not enjoy particular confidence?

[Olechowski] I am not a member of any party and I am not influenced by the emotional assessments this government has received since the very beginning. I believe that this government has been formed in accordance with democratic procedures. The prime minister proposed that I head the Finance Ministry, and as I thought that I could be useful, I agreed. A finance minister is never popular, especially not in a country without a balanced budget, so being in the job always requires some "punch."

[Szemplinska] I would like to ask you for the last time about a rather dry subject. What do you consider to be the basic cause of inflation?

[Olechowski] I define it as an imbalance between the money supply and the level of productivity. When productivity falls and incomes rise nevertheless, wage rates have not been set as a result of the difference between productivity and the value of a product but as a result of the bargaining power of various social groups. That power will not diminish without far-reaching structural changes in the economy.

[Szemplinska] Those economists were relieved to see Leszek Balcerowicz maintain that increasing the money supply and thus increasing demand would check inflationary pressures and halt the recession, or even lead to economic growth.

[Olechowski] In view of the poorer quality of Polish goods and the fact that those goods do not satisfy expectations adequately, increased demand would primarily result in higher imports.

[Szemplinska] Representatives of the government and parliament have also frequently expressed the desire to reduce the flow of imports.

[Olechowski] First, that would cause us to violate international agreements, which are of strategic importance for our development. Second, we would lose a basic human right that we have fought for for years, namely, the right to choose. What is more, autarchy would not lead to structural changes in the economy.

[Szemplinska] It would channel demand toward domestically produced goods, which, although they are unwanted, would be the only ones available on the domestic market.

[Olechowski] That is not worth doing if it means being cut off from the civilized world. I also believe that increasing demand would only affect consumption in a few areas. It would not, for example, affect agriculture, as the Poles, in line with international trends, are consuming less sugar and meat, wasting less food, and not stocking up with foodstuffs as was the rule previously.

[Szemplinska] Both the "Principles of Socioeconomic Policy" and government statements talk about "creating money," which would flow into the economy in the form of loans with a view to halting the recession. At the same time, it is being said that inflation has to be held in check. Is that possible?

[Olechowski] Yes, as long as the budget does not exceed 65 trillion zlotys, which is 5 percent of the gross domestic product.

[Szemplinska] Why 5 percent?

[Olechowski] Because economics is not an exact science, and it has come to be accepted that 5 percent is a safe level that should not be exceeded.

[Szemplinska] That is kind of dogmamatic.

[Olechowski] Yes, but to maintain credibility it should not be disregarded in the search for some level of one's own that has not been put to the test.

[Szemplinska] That sounds like a warning.

[Olechowski] It is. Both the IMF and the World Bank believe that the government program provides an adequate basis for talks on condition that the budget deficit is held in check.

[Szemplinska] The draft budget, however, which is still being formulated by the government, is being pulled apart by various demands.

[Olechowski] Ministers have the right to express their problems. Putting together a budget is burdensome and involves reconciling opposing views, and finding sources of revenue and ways of cutting expenditures. In other European countries budget receipts amount to about 30 percent of gross domestic product, whereas our budget receipts barely amount to 25 percent. This is the result of taxes that are not particularly high, tax evasion, the existence of a so-called "gray sector" in the economy, and the failure to tax farmers, who constitute a quarter of the population.

[Szemplinska] You have indicated where revenues can be sought, but what about cutting back on expenditures?

[Olechowski] The reforms did not begin in this most sensitive area of expenditures. This applies to the whole range of expenditures from education to social welfare and this is the basic issue, because we cannot afford to allow those areas to continue functioning in the old way.

To return to your question about a balance between creating money, providing loans to the economy, and keeping inflation within check. I say that it can be done but at a price, and I would say that it means providing a

public loan for economic development, agreeing to common, national investment.

[Szemplinska] How much agreement will there be on that?

[Olechowski] We either increase funds for loans to achieve things in the future, or allocate more for consumption. That latter solution will only allow us to defer the difficulties.

[Szemplinska] Is it worth investing in inferior, outdated enterprises?

[Olechowski] It is not, and no one is saying that. Poland needs free market institutions that will aid industry, but the free market itself, in view of the scarcity of funds and a lack of experience, is unable to produce those institutions. In such liberal countries as England and the Netherlands, a bank that provides a loan to a new company can insure itself for up to 85 percent of the risk with a state institution because it is known that only 30 percent of new companies will succeed. It is hard if things are different in our country. If the Rzeszow-based Polfa Company, which has a 200 percent rate of return, is not considered credit-worthy because of its high level of receivables, it would be quite an unfortunate loss if it has to cease operations for that reason. Assistance has to be provided in such cases and guarantees have to be provided. That is something every country does.

[Szemplinska] Every plant, however, wants to be promised a reduction in dividend payments and in the tax on supernumerary wage awards [salary increases above the level mandated by the government], and that is particularly true of those that are in difficult situations.

[Olechowski] Well, they should not do that. A reduction in those liabilities has to be linked to performance and growth projections, and what the budget loses will have to be made up from some other source.

[Szemplinska] What about the concessions for exporters, which have been called "the return of Minister Wrzaszczyk?"

[Olechowski] I believe that we should use instruments that do not differentiate between producers, but I have been involved with foreign trade for a significant part of my life and I know that every country assists its exporters.

[Szemplinska] What is your position on the influx of foreign capital?

[Olechowski] It is clear-cut. Without it, we will not succeed. The total capital of all Polish banks amounts to about 1 billion U.S. dollars. If managed carefully, that can yield loans totalling 12 times that capital, which means that an economy including 38 million people has access to 12 billion dollars in loans. That is a ridiculously low sum. That is why we must create favorable conditions for foreign investors and the investment climate must change.

[Szemplinska] Who would you like to have as your partner in the post of president of the Polish National Bank?

[Olechowski] An independent person who understands his role of safeguarding the value of our currency. There is a permanent state of conflict between the finance minister and the president of the central bank, because the first has to look after the budget and the second has to look after the currency. If these roles are clear-cut and adhered to, that is a good thing.

[Szemplinska] The president has ratified the transitional agreement with the EEC, but the main ratification debate still lies ahead of us. There has been criticism in the Sejm on the conditions attached to associate membership.

[Olechowski] If the agreement that has been drawn up is scrapped, although I do not believe it will be, that would signal that it is time to emigrate from Poland.

Privatization Program Amendments Examined

PM1903124992 Poznan GAZETA POZNANSKA in Polish 12 Mar 92 p 4

[Anna Wolk article: "Everything for Sale? Privatization Scheme Amended"]

[Text] In the past few days a number of specialist bodies have been discussing the latest version of the privatization program, reviewed by the new leaders of the ownership transformation sector. The bill has already been presented to the Council of Ministers Socioeconomic Committee, and it is almost certain that it has been seen by the Sejm Commission for Ownership Transformations.

To date, the program's new version has not been released to journalists. The official reason given is that it might aggrieve Sejm deputies if they were to find out in advance from the newspapers what they were supposed to discuss in parliament. Nor were journalists admitted to a session of the Council of Ministers Advisory Committee, so there is still no information on how the new project was received by the government experts. For the time being, newspapers and their readers alike must be satisfied with the opinion on the proposed changes in the privatization process which the head of the Ownership Transformations Ministry and his two colleagues from the sector agreed to disclose to us. It is to be hoped that in the future it will be decided not to hold all sessions of the relevant body secret and that we will not be reduced to gleaning all the information we can get from the notoriously one-sided official sources.

According to Minister Tomasz Gruszecki, the most noteworthy element in the reviewed proposal for ownership transformations is that privatization is no longer treated as an autonomous exercise. Changes in ownership status are to be geared to our integrated socioeconomic program. They should represent the total of its

many components (such as unemployment, budgetary deficit, influx of credits, and so on). It would seem that this principle should have been adopted from the very beginning of the ownership transformation exercise. However, it appears that we needed a third successive government to discover what should have been obvious to all concerned.

The ownership transformations sector proposes—and the government is expected to approve the proposal—that the privatization program be implemented, as it were, on an open stage. This appears to be dictated by a reaction to the atmosphere of widespread public suspicion which has accompanied our ownership transformation processes from the very beginning. Well, the suspicion may not be entirely groundless. The "Condition of the State Report" contains the following observations: "A new category of offense has appeared, connected with the process of ownership transformations." Asked whether the General Prosecutor's Office has to date instituted proceedings in at least one case, the new head of the justice sector replied rather confusingly: "It is one thing to have a category of offense which qualifies to be considered in terms of the penal code, and another thing to have chaos which could be construed as indication that offenses have been committed."

This seems to imply that in all probability no offenses have been committed, but that, all the same, we should do everything to avoid even giving rise to suspicions that they may have been committed. And this means introducing clear definitions of competence, that is, deciding who can make which decisions, according to which procedure, and on what terms; also, when it is permitted to depart from the agreed procedure (for example, when auctions are involved.) Tomasz Gruszecki believes that even the most scrupulously detailed privatization procedures cannot relieve the decisionmakers of their political responsibility and accountability. All the same, all possible measures must be taken to remove even the slightest possibility that some private gain could influence decisions made by offices and officials. I believe that one such measure could be the possibility to apply for the Sejm commission's opinion on matters of exceptional state importance—for example, such as the Passenger Car Factory [FSO] license contract with Fiat.

The minister at the head of the ownership transformations sector will no longer be empowered to make exclusive decisions to approve or veto the privatization of each and every enterprise in the country. In any case, this power was at best fictitious in practical application. In reality, in cases of so-called liquidation privatization, the minister only endorsed decisions made by individual voivodas in their own regions. It could not be any different, anyway, since to date 950 enterprises have been privatized or, rather, have entered the privatization process. The amended version of the privatization scheme envisages a dual-channel procedure for privatization decisions: In the case of major enterprises involved in so-called capital privatization, that is, sale of enterprise assets, the state treasury will be empowered to make all the decisions. In cases where privatization involves enterprise liquidation, the competence to make decisions will be in the hands of local government bodies. The two components of privatization procedure, that is, the decision and its implementation, will be separated and entrusted to separate agencies. The second component, or implementation, is a technical operation, and as such should be entrusted to a specialist property transfer agency. The act of sale itself, the decisionmaking agency, is to be represented by an expert sales dealer.

Minister Gruszecki asserts that this recommendation has been generally approved by all experts. Changes in the practical privatization procedures are required not only in order to clear the misgivings and uncertainty surrounding the operations, but also for practical and technical reasons. The privatization process must be speeded up. Whereas, for example, the capital privatization scheme accounted for the sale of 26 enterprises last year, it is planned to sell 20-30 enterprises in the first quarter of this year alone. It is estimated that this year's revenues from privatization will amount to 9-10 trillion zlotys [Z]. It remains to be seen whether the estimate is indeed realistic or not. After all, last year's plans were for Z15 trillion, and the actual revenues were only a fraction of that sum.

This was because certain experts' predictions actually came true and it became apparent that it is much easier to launch a privatization scheme than to finalize it. The first stage, that is, transformation of the status of the enterprises under privatization into that of single-entity state treasury company posed no special problems. Unfortunately, it soon became apparent that such companies experienced the same type of difficulty as state enterprises. There were two principal reasons for this state of affairs. The shortage of domestic capital and the disinclination, or mistrust, of foreign capitalists who preferred not to invest in Poland. There is no evidence to indicate that either of these reasons has disappeared. Consequently, this year we might again fail to realize the "planned revenues from the privatization scheme." Nevertheless, the government intends to do everything in its power to accelerate the process of ownership transformations.

German Plan for Cross-Border Cooperation Debated

PM1803163992 Wroclaw GAZETA ROBOTNICZA in Polish 25 Feb 92 p 6

[Czeslaw Cyrul article: "Joining Europe German Style or With Polish Reason of State? Stolpe Plan Rejected, But Problems Remain"]

[Text] Representatives of Wroclaw political groups met again to discuss the German proposal on the economic management of the territories east and west of the River Odra. True, the Germans have now withdrawn their specific plan concerning the proposal, but the issue of

developing the territories in question is still with us, and it is inevitable that sooner or later it will become topical again.

Party delegates reiterated their opinions on the Stolpe plan which they had expressed at the previous meeting. On the whole, the Democratic Union and the Liberal Democratic Congress supported in principle the proposals presented in the plan. In their view, neighboring border regions of both countries should certainly initiate mutual economic cooperation. Warsaw's role in these contacts should be secondary. Both parties believe that even if the proposed scheme may contain solutions which are not necessarily the most advantageous for Poland, we should remember that it is Poland which wants to join Europe and not the other way around, and consequently we Poles must adjust our expectations to our partners' specific plans.

A diametrically different opinion was voiced by Deputy Wincenty Pycak, representative of the Confederation for an Independent Poland [KPN]. According to him, the Stolpe plan is unacceptable to Polish people. "We cannot proceed toward Europe without a clear concept of what role we want to play there. We cannot enter Europe wearing rubber boots and then stop and wonder what to do next...."

Deputy Jerzy Szmajdzinski, who represents in the Sejm the Jelenia Gora and Legnica constituencies on behalf of the Social Democracy of the Polish Republic, attempted to reconcile these extreme opinions. It was Szmajdzinski who took the initiative to pose the parliamentary question on the Stolpe plan in the Sejm. In reply to his question, Jerzy Eysymontt, head of the Central Planning Administration, declared that the government's long-term plans for the development of the border regions did not envisage the creation of separate economic zones for border cooperation between the two countries, nor did they envisage a Polish counterproposal to the Stolpe plan. Deputy Szmajdzinski believes that this attitude is wrong and represents an erroneous policy on the government's part. This is because we can expect the Germans to come up with new proposals before very long, and if we limit ourselves to criticizing them without presenting our own concepts for the economic development of the border regions, we will show ourselves to be partners who cannot be taken seriously.

In Deputy Szmajdzinski's opinion the German plan should be analyzed and separated into components which we regard as either good or bad for Poland. The good ones should be incorporated into our own Polish plans. However, plans should not be drawn up until a clear concept of an integrated economic strategy for the whole country has been developed. Such a strategy must be consistent with the Polish reason of state. The only problem which arises here is that today it is quite difficult to define the Polish reason of state, and even more difficult to delineate our economic strategy. Once these two canons have been unequivocally defined, groups of experts should commence work on detailed proposals for cooperation schemes. This view was accepted and approved by the majority of delegates.

Who should be entrusted with the job of preparing the Polish concept of regional border cooperation? Who would finance the whole exercise? There is no shortage of people with the knowhow, but where are we to find the funds?

Finally, the question was posed of who could be formally entrusted with the execution of the pilot proposal. Certainly, the project could not be carried out informally by a group of several political parties, while voivodas have been deprived of the powers which allowed them to involve themselves in international matters. This means that it would be necessary to knock on many ministry doors in Warsaw. Unfortunately, the relevant authorities in Warsaw refuse to involve themselves in creating programs for regional zones—and in this way the vicious circle is closed.

In addition, the delegates decided to hold an interparty debate, devoted to the role of the media in our public life, in March. At least they will not have to ask Warsaw's approval for that.

Iliescu Cables Yeltsin, Kravchuk on Moldova

AU1903181092 Bucharest ROMPRES in English 1616 GMT 19 Mar 92

[Text] Bucharest ROMPRES, 19/3/1992—Romania's President, Ion Iliescu, addressed messages to Boris Yeltsin, the president of the Russian Federation, and to Leonid Kravchuk, president of the Ukraine, referring to the tragic events taking place in the districts on the left bank of the Dnestr, that are part of the Republic of Moldova.

After expressing the deep worry the said events have caused in Romania, the messages point to their nefarious effects, on both local and an international plane. The involvement of Cossack groups, armed with modern military equipment, making part of the weapons of the former Soviet Union, which encourages separatist forces, represent both a flagrant interference in the affairs of the Republic of Moldova, an independent and sovereign state, a member of the United Nations, and a participant in the CSCE process, and even an infringement of the provisions of the agreements regarding the relations among the republics of the Community of Independent States, stipulating that every member state will observe the territorial integrity of the others.

The messages assert that Romania supports the stand and the measures adopted by the leaders of the Republic of Moldova, with a view to peacefully solve the conflict in the districts on the left bank of the Dnestr, and categorically deny allegations, circulated by those who intend to misinform, maintaining the so called military involvement of Romania in the fighting. Romania, continue the messages, pronounces itself for the settling of all issues through political dialogue, to ensure the territorial integrity of the Republic of Moldova, the re-establishment of order and law and to guarantee, at the same time, the observance of all provisions on human rights in the CSCE documents, including those on national minorities.

The messages also say that for the urgent putting in place of this target, all political factors have to take action as soon as possible, first of all the leaders of the Russian Federation, the Ukraine, Moldova and Romania, to defuse conflicts, to put an end to violence, to disarm all the paramilitary forces, to make Cossacks withdraw from the Republic of Moldova, which would create the necessary conditions for dialogue, for a peaceful solution to the problems, in a climate of calmness and respect for lawfulness.

President Ion Iliescu launches an appeal to presidents Boris Yeltsin and Leonid Kravchuk, to make use of all their authority and influence to support such a process, and, particularly, to obtain the disarming of the Cossack groups, to make them withdraw and allow no others to enter the Republic of Moldova, as well as to discourage separatist forces from making new violent acts, to make an attempt on the territorial integrity of the Republic of Moldova. In conclusion, Romania declares, once again, its willingness to cooperate with the Russian Federation, the Ukraine and Moldova, to seek a rapid political solution to this conflict.

Trade Unions Talks End; Premier Meets Leaders

AU1903195492 Bucharest ROMPRES in English 1851 GMT 19 Mar 92

[Text] Bucharest ROMPRES, 19/3/1992—Thursday, March 19, the-two day negotiations closed, between leaders of miners' trade unions, unions in the car manufacturing industry and in other industrial branches, and the representative of the government, ministers and experts. The minutes concluded say, inter alia:

—The issue of the minimum salary will be further analysed by the unions, based on the documents offered by the Ministry of Economy and Finance and the National Commission of Statistics;

—The governmental decision referring to the announcement and registration of prices will be rigorously applied;

—The relevant department will study additional measures to set prices and forward proposals no later than April 15, 1992;

—The Ministry of Labour and Social Protection will make the programme of social protection available to the unions;

—The Ministry of Industry will present a programme for relaunching the industry;

—On April 7, 1992, Romania's National Bank will make documents available to the unions regarding the policy of hard currency crediting and interests;

Amendments have been put forth in Parliament, on additional possibilities to increase the 1992 budgets of the fields sponsored by the state. Premier Theodor Stolojan met, Thursday, March 19, with the union leaders and the other participants in the negotiations, who mentioned that the government held periodical consultations with trade union confederations, with which he hopes to find solutions to overcome the difficulties of this period of transition. The head of the executive presented the opinions of the cabinet on prices, a longly debated issue during the negotiations. He said that in January and February prices increased more than forecast, and he hoped that, by the negotiation of individual labour contracts, the difference would be reduced between increases in prices and in salaries. The Romanian premier specified to measures had to be taken to raise pensions and salaries in budgetary units, based on exact data on the economic activity of commercial companies and public corporations.

The Romanian premier also referred to the action to start on May 1, referring to subventions from the state budget, which he called "very important," due to its effects on the population, on the incomes of employees

and pensioners, on establishing a correct compensation level. Referring to the level of the February production, statistic data say it increased as against January. Mr. Stolojan mentioned that the shortage of hard currency is severe, which would be mirrored in the March-April output. He mentioned that the government was making efforts to conclude loan contracts, so that the minimum importation of power reach a normal level.

Roman Urges Continued Search for FSN 'Identity'

AU1803185092 Bucharest AZI in Romanian 14 Mar 92 p 1

["Statement by Petre Roman, national leader of the National Salvation Front," at a meeting of the Front's Steering Collegium on 12 March]

[Text] The goal of the meeting with the president was, as the president himself said, to allow the members of the Steering Collegium of the National Salvation Front [FSN] to speak their minds about the stances adopted and the statements made by me and several other members of the Executive Bureau. However, it was obvious that he particularly referred to my statements, some of which he specifically quoted, beginning with my open letter to him, the statements made after the September events, and ending with my recent statements published in foreign and Romanian newspapers.

The meeting was addressed by 26 members of the Steering Collegium, but, in the president's final opinion, they eschewed the question that he raised himself, namely: What is their opinion about our statements and about the Executive Bureau's failure to take a stand vis-a-vis my statements, and to what extend did these statements enjoy the endorsement of the Executive Bureau and the Steering Collegium? The president's final conclusion is that the Steering Collegium members did not answer this question by avoiding declaring themselves whether they agree with my stands or not.

In answer to Mr. Iliescu's arguments, I repeated some of the things I said in the first part of the meeting—which you [the press] attended—adding perhaps a few extra details, which I will not delve into now. What counts is the end result. In the end, the president took note of the assessments of some Steering Collegium members, who asked him to decide whether he intends to run for the presidency or not, knowing that the political body that may or may not give its endorsement for such a decision is not the Steering Collegium, but the National Convention.

At the end of this discussion, the president said that he thinks I have a fixation, namely the desire to divide the Front members, militants, and representatives into reformers and conservatives. Of course, I considered that assessment as unjust, inappropriate, and undoubtedly devoid of any substance. I asked the Steering Collegium to continue along our path. As you know, we have embarked upon the road of seeking, defining, and confirming the FSN's identity as a democratic party of reform and for reform. In the end we reiterated that this is the identity—which we also defined programmatically—with which we want to meet the National Convention and, we hope, to move on even further.

Concerning the president's candidature, this is indeed his choice and we suggested that he should decide whether or not he still wants to run for the presidency after this discussion, and let us know about it. The National Convention can decide whether or not to support his candidature. Anyhow, there is no other way to ensure an endorsement for a given candidature, along with, I repeat, this continuous search for identity on the part of the FSN, which today is engaged in a democratic competition and can no longer be a broad movement that addresses itself to the "large masses of workers in villages and towns." The Front, as a party in a democratic society, must clearly define its profile. After all, it is a party engaged in a democratic competition. Hence it must know its own attack and defense potential in the effort to win the electorate's endorsement, because, the meaning of democracy is to win the elections, not something else.

It seems that the members of the Steering Collegium declared themselves in agreement with this conclusion—at least by consensus—thus ending the meeting as you know. Other details are not very relevant and the important thing is what I just told you. Allow me to conclude my statement on this note.

Article Analyzes Iliescu-Roman Confrontation

AU1903185192 Bucharest TINERETUL LIBER in Romanian 14 Mar 92 pp 1, 2

[Article by Doina Diaconu: "The President Defies the Constitution!"]

[Excerpts] Judging by the forecasts and the result, the meeting of the Steering Collegium of the National Salvation Front [FSN], or rather its meeting with Ion Iliescu at the president's ultimatum-like request—which took the form of a long series of meetings with various groups—was an extremely important event for the futures of the ruling party and its two principal leaders. The confrontation was meant to lead to the public unmasking and condemnation of Petre Roman. Although focused on personal motives, namely Roman's accusations against the president, Iliescu's indictment was designed to prove Roman's political culpability. Roman is accused of betraying the basic FSN platform and moving to the right, hence the need for his removal. [passage omitted]

On his part, Roman played the constitutionality card exceptionally well by broaching the problem in an impeccable manner. Indeed, by convening the FSN Steering Council, Iliescu violated his constitutional obligations of maintaining equidistant relationships with all parties, thus betraying, as Roman said, a desire to assume the incompatible roles of head of state and party leader. [passage omitted]

What once used to be done through intermediaries—namely, the removal of the rebellious son who dared criticize the paternal political authority, which marks an explicit departure from communist ideology—was this time attempted directly. The president took the initiative in the hostilities, confident in his infallible popularity and the justice of his cause. By staking everything on the arguments of constitutionality and party democracy—the endorsement of a presidential candidacy can only be adopted by the broadest FSN body—the FSN leader outdid his adversary, who counted on a decision at the top, made under pressure. In spite of its dissension, the Steering Collegium did not react in accordance with the presidential expectations. One cannot rule out that in the end the scruples of legality have won over the temptation to reach an arrangement behind the scenes, which might have turned into a huge liability in the long run.

Last Thursday at 2400 hours [2200 GMT], Roman returned to Modrogan Alley [FSN headquarters] where the reporters were waiting for him. As usual in such tense situations, he was displaying his customary relaxed smile. Iliescu met with the press yesterday and read a communique on the prospects of his meeting with the FSN leadership, which was intended to improve relations. Consequently, anything from polarization to peace can happen. As Balzac sagely noted, however, "a return is never out of love."

Romania Mare Party Outlines Stance on Elections

AU1803094692 Bucharest ROMPRES in English 0907 GMT 18 Mar 92

[Text] Bucharest ROMPRES 18/3/1992—The Steering Board of the "Romania Mare" Party called on 17 March a news conference that was attended by the central press, national radiotelevision and foreign correspondents accredited to Bucharest. The party leadership told journalists that two more prominent FSN [National Salvation Front] members—Nicolae Negoescu, a deputy for Timis, and Prof. Victor Grigorescu, chairman of the FSN Committee of Bucharest's No. 2 district—had become members of the Romania Mare Party joining Gh. Lupau, a deputy for Bihor who had switched allegiance before. The new members told the conference the reasons for their political option.

The president of "Romania Mare Party, Corneliu Vadim Tudor answered the journalists' many questions. On his party's position to the union with Moldova, he said he did not accept "the risk of a hasty union with the Republic of Moldova" which would "be to the detriment of both Romanian states now." On the role of the Army, of the gendarme, police and intelligence forces, "Romania Mare" was shown to support every armed service since "the Army had throughout Romanian history been the most serious national institution, along with the Romanian Orthodox Church which is 1,800 years old."

Here are more answers from a transcript of the answers: "Romania Mare" does not make its own nominations for president; if Mr. Iliescu runs, the party will support him; an alliance is in the making under (19th century unionist) Kogalniceanu's "National Party" slogan to rally patriotic political forces around the same ideal, not necessarily in view of the general election, but just for the future; Moscow's 28-coffin news "probe" is a dirty diversion, perfidious attempts are made to involve Romania in Dniester area conflicts. "We should not cherish the illusion that the USSR is dead. The bear is wounded, it is desperate, but it remains a big danger, and not only to us."

In a statement to the press, the Steering Board of the "Romania Mare" Party voices concern over the deterioration of the situation in Transdnestr. "In light of the events, the "Romania Mare" Party firmly calls on the European governments, on the United Nations Organisation to involve themselves speedily in order to end this painful conflict," the statement says.(...) this is in our opinion the right time when leading political forces in Russia and Ukraine can publicly show that they disapprove of imperialist practices and dictate, that they have taken the road of humanism and democracy. And we are also hopeful that the West, which promised to be a guarantor of peace and stability in this troubled part of the world, will take its role seriously and honour its promises."

Interrepublic

Serbia, Montenegro To Form Common State by May

LD1903174492 Belgrade TANJUG in English 1609 GMT 19 Mar 92

[Text] Belgrade, Mar 19 (TANJUG)—President of the Serbian Parliament Aleksandar Bakocevic said today the formation of a new state of the Yugoslav Republics of Serbia and Montenegro was to be completed by the end of May.

The expert groups of the Serbian and Montenegrin parliaments will this month prepare a draft constitution and submit it for discussion to the two assemblies in mid-April, Bakocevic told a news conference at the Serbian Assembly today. He told reporters that the Serbian and Montenegrin leaderships had met in Belgrade on Tuesday for further consultations on Yugoslavia's constitutional re-organization. The document will be sent to the existing Yugoslav Assembly for further discussion after Serbia and Montenegro adopt it, Bakocevic specified. Once the procedure is completed, multiparty federal elections will be called, he added.

Asked if a new Yugoslav parliament will include representatives of the Serb Krajinas in the secessionist Yugoslav Republic of Croatia, Bakocevic said it was decided that federal laws should be valid during the U.N. peace operation. However, he added, the composition of a future federal assembly had not yet been determined. Serbia and Montenegro, which have opposed the disintegration of Yugoslavia since the outbreak of the crisis, last January agreed in principle to form a common state which would secure Yugoslavia's continuity. Under the principles of a common state, which were adopted last month, the future state should provide completely equal status to its units and remain open also for other Yugoslav republics which might wish to join. Of Yugoslavia's six republics, only Serbia and Montenegro were independent states also before the foundation of Yugoslavia.

Croatia Denies Violating Slovene Airspace

LD1903190292 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 19 Mar 92

[Text] The Croatian Ministry of Defense has issued a denial regarding the statement by Slovenia's Defense Ministry claiming that a military aircraft of the Croatian air force violated Slovenia's airspace. The denial states that on 18 March 1992 an aircraft of the Croatian air force did not violate the airspace of the Republic of Slovenia. The flights of Croatian air force planes are monitored by radar. According to flight records all aircraft lanes were above Croatian territory throughout their flight.

Slovenes Fear Croatia May Limit Fishing Rights

LD1903230192 Ljubljana Radio Slovenia Network in Slovene 2100 GMT 19 Mar 92

[Text] Slovene Deputy Premier Andrej Ocvirk and Agriculture Minister Joze Osterc visited Koper this afternoon at the invitation of the littoral Executive Council. With their hosts, they discussed the problems of our sea fishing industry. Leon Horvatic reports:

[Horvatic] The Slovene-Croatian negotiations include several open questions, including the problem of fishing. Our coastal fishermen catch 90 percent of their fish in Croatian coastal waters. The fate of this activity—the livelihood of some 4,000 Slovene citizens depends on it—therefore depends above all on the decision made in Zagreb. The Slovene side can influence a favorable outcome only with the trump cards which it holds in other areas, which requires, of course, a package deal. A subcommission is supposed to be set up in the littoral which would participate in the concrete talks on the problems of the sea within the interstate negotiations.

According to Dr. Ocvirk, these negotiations will undoubtedly be long and complicated, which is also confirmed by yesterday's statement by Croatian Minister Davorin Rudolf in Ljubljana that Croatian waters will be closed to Slovene fishermen from 1 April unless an agreement is concluded between the two countries. This statement surprised not only the fishermen but also Slovene Minister Joze Osterc who made the following statement to us in this connection:

[Begin recording] [Osterc] Yesterday's statement by Maritime Affairs Minister Rudolf has surprised me somewhat, because at our meeting in Ljubljana a month ago we agreed that fishing would be possible until an agreement was reached between Croatia and Slovenia. In this respect, we are preparing an agreement, in keeping with the agreement with the Croatian side, which will be discussed by the government and then also by parliament, after which we shall offer it to neighboring Croatia.

[Horvatic] Since this will not happen before 1 April, the end of March, what will you do?

[Osterc] In keeping with the agreement, the written agreement of a month ago, we shall protest this through the Ministry of Foreign Affairs. [end recording]

Federal

Foreign Ministry: UN Mission Still Functioning

LD1903211292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1740 GMT 19 Mar 92

[Text] Belgrade, 19 Mar (TANJUG)—In connection with the report that three diplomats in the SFRY mission to the United Nations have offered their resignations and that the mission is not able to carry out its tasks, TANJUG has received a statement from the

Federal Secretariat for Foreign Affairs which says that the usual procedure for the termination of the mission of the SFRY ambassador to the UN is underway. No other resignations have been sent to the Federal Secretariat for Foreign Affairs.

In the absence of a permanent representative of the SFRY at the United Nations, the duties of head of mission, in the capacity of temporary charge d'affaires, are being carried out by one of the more senior diplomats in the mission. This is the usual practice and agreement has been reached on this with the UN secretary general. Fresh and experienced diplomats are being briefed who will shortly take up their duties in New York as part of the regular replacement system. Accordingly, all the conditions are satisfied for the continuing work of our mission to the United Nations. Similarly, the continuation of the work of other Yugoslav diplomatic missions in which routine or exceptional personnel changes are taking place is also being insured.

The Federal Secretariat for Foreign Affairs regularly informs the SFRY Assembly, the SFRY Presidency, and the Federal Executive Council about these problems and the method of resolving them.

Government Considers UN Peace Force 'Positive'

LD1903203892 Belgrade TANJUG in English 1820 GMT 19 Mar 92

[Text] Belgrade, Mar 19 (TANJUG)—The Yugoslav Government today assessed as positive the effects of the start of the U.N. peace mission in Yugoslavia and adopted amendments to the draft agreement on the status of the U.N. protection forces for Yugoslavia.

The Yugoslav information secretariat did not report any details about the contents of the amendments. The issued statement did, however, say that the federal government [word indistinct] the warring sides to respect to the end the ceasefire agreement concluded in Sarajevo on January 2 this year so that the "Blue Helmets" could take over on April 25 all duties on the territories which are to be placed under U.N. protection. Three Serbian regions in the secessionist Yugoslav Republic of Croatia are to be placed under U.N. protection. Advance U.N. forces have already arrived there. According to reports from the Croatian capital of Zagreb, the Croatian parliament has announced that it will discuss the deployment of the Blue Helmets in the respective areas at its session from [words indistinct] through 28.

The Yugoslav Government underscored the importance of the talks on the future status and internal order of the central Yugoslav Republic of Bosnia-Hercegovina, held under E.C. auspices. The federal government stressed that "all political factors in Bosnia-Hercegovina must refrain from unilateral political actions which can pose a threat to peace and security."

The federal government set out that the Bosnia-Hercegovina authorities must ensure the personal safety and the security of the property of all citizens, regardless of their nationality, faith, and political commitments.

The Yugoslav Government underlined that the crisis in Bosnia- Hercegovina could be resolved in a peaceful and democratic manner only through an agreement of all three constituent nations in the republic (Muslims, Serbs and Croats) and without majorization. In the fifth round of the talks on Bosnia-Hercegovina, which ended on Wednesday morning, the leaders of the three national parties which make up the ruling coalition agreed on the creation of three constituent units in Bosnia-Hercegovina, based on national principles and taking into account economic, geographic and other criteria. The talks have been scheduled to resume in Brussels on March 30.

Bosnia-Hercegovina

Political Reaction To State Organization Accord

Muslim Bosnians: Document 'Unacceptable'

LD1903223792 Belgrade TANJUG in English 2111 GMT 19 Mar 92

[Text] Sarajevo, Mar 19 (TANJUG)—A document on the principles of the new state organization of Bosnia-Hercegovina is unacceptable to the Moslem Bosnian Organization (MBO) since it "seriously jeopardizes sovereignty itself" and still later possibly "territorial integrity" of this Yugoslav republic.

It is logical to assume that on the one hand, new splits within Bosnia-Hercegovina would occur and that on the other hand, the natural aspirations of the created ethnic regions to join with their mother countries would manifest itself, it was assessed today at a news conferenece of the MBO, which is the second largest national party of Moslems in Bosnia-Hercegovina.

The leaders of the leading national parties of Bosnia-Hercegovina—the Moslem Party of Democratic Action (SDA), the Serbian Democratic Party (SDS) and the Croatian Democratic Union (HDZ)—achieved on Tuesday night at an international conference on Bosnia-Hercegovina an agreement according to which the republic will become a state composed of three constitutent units formed on the ethnic basis but also according to economic, georgraphic and other criteria.

The document, according to the MBO, does not ensure "either territorial unity, unity of power or sovereignty of citizens on the whole of the territory" of the republic. Deputy Premier of Bosnia-Hercegovina Muhamed Cengic, who as head of a delegation of the republic is on a two-day visit to Turkey, is also of the view that the new document "splits Bosnia-Hercegovina". On behalf of six ministers, Cengic opted in favour of "unified Bosnia-Hercegovina, ethnically and economically."

The opposition Socialist Democratic Party (SDP Bosnia-Hercegovina) accuses the leaderships of the national parties of trying to divide and tear down the republic, regardless of the price and disasterous consequences. The political council of the party believes that the creation of a "tri-national-cantonal state community in Bosnia-Hercegovina will be the source of and occasion for new clashes in the struggle for winning national territories and ensuring totalitarian power over them."

Bosnia-Hercegovina is inhabited by Moslems (44 percent), Serbs (31 percent) and Croats (17 percent). The SDA, SDS and HDZ make up the ruling coalition in this central Yugoslav republic. The Liberal Party of Bosnia-Hercegovina considers that the document does not resolve three key issues regarding the organization of the state and the final territorial distribution of the constituent units, the army and the police. The document is acceptable to the Democratic Party of Socialists only as regards two provisions: ensuring the integrity of the state and democratic decision by the citizens and peoples of Bosnia-Hercegovina on the document through a referendum.

An opposition party in Croatia, the Croatian Democratic Party (HDS), underscores that the cantonization of Bosnia-Hercegovina is unacceptable.

HDS terms the policy of HDZ as "capitulatory and is to the detriment of the Croatian people" since, according to the achieved document, as pointed out in a statement, Croats would get only 12 percent of the territory while 59 percent Croats would remain outside the Croatian canton.

[Word indistinct] opposition party in Serbia, the Serbian Radical Party (SRS) upholds the cantonization of Bosnia-Hercegovina on the ethnic principle because Serbs, as SRS leader Vojislav Seslj said today, will never permit central Moslem authority over the whole of the territory of Bosnia-Hercegovina.

SDA Hails Agreement

LD1803151792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1300 GMT 18 Mar 92

[Text] Sarajevo, 18 Mar (TANJUG)—After the agreement of leaders of the three leading parties on the principles of new constitutional solutions for Bosnia-Hercegovina, we can state that Bosnia-Hercegovina is a sovereign, autonomous, and independent state with all the attributes of statehood. This was stated at a news conference in Sarajevo today by Irfan Ajanovic, spokesman of the Party of Democratic Action [Stranka Demokratske Akcije, SDA], who also noted that the international conference on Bosnia-Hercegovina would resume in Brussels on 30-31 March. According to him, only minor corrections to the document are possible. The document "envisages Bosnia-Hercegovina's own currency, a single market, common foreign policy, and other attributes of a state." In Ajanovic's view, the document provides an opportunity for Bosnia-Hercegovina to extricate itself from the agony affecting some of its parts. With overt pleasure, Ajanovic at one stage greeted all foreign journalists from, as he put it, "Serbia, Montenegro, Macedonia..."

According to Ajanovic, the document "has put an end to the aspirations of the SDS [Serbian Democratic Party] to see Bosnia-Hercegovia becoming part of greater Serbia." Irfan Ajanovic said that in the course of the negotiations in Villa Konak it had not been expected that the SDS would accept the solutions on offer, as the document referred to Bosnia-Hercegovina's sovereignty and not to the sovereignty of territorial units with their powers limited to self-government.

Asked what would happen if the assembly of the Serbian people rejected the agreement, Ajanovic said that he would like them to accept it as it was in the interest of all the republic's citizens. But, if they reject it, it will be the SDS who will be blamed for the situation in Bosnia-Hercegovina. SDA spokesman Ajanovic also stressed that he did not believe the document adopted last night would be sent to the [Bosnia-Hercegovina] Assembly before the next meeting in Brussels of the delegations of the three leading parties.

JNA Links Paramilitary Disarmament, Withdrawal

LD1903204892 Belgrade TANJUG in English 1807 GMT 19 Mar 92

[Text] Sarajevo, Mar 19 (TANJUG)—The Yugoslav People's Army (JNA) maintains that the disarmament of paramilitary formations in Bosnia-Hercegovina is the main prerequisite for a political solution of the crisis in the multi-national Yugoslav republic. The disarmament should be carried out directly and under the same criteria to all paramilitary organizations in Bosnia-Hercegovina, Colonel Vehbija Karic told a news conference at the JNA Second District today. Bosnia-Hercegovina is populated by Moslems (44 percent), Serbs (32 percent) and Croats (17 percent). The republic is governed by the three national parties—the Party of Democratic Action (SDA), the Serbian Democratic Party (SDS) and the Croatian Democratic Union (HDZ).

The agreement in principle on the disarmament of paramilitary formations was reached at Bosnia-Hercegovina's presidency on December 24 last year, Colonel Karic recalled. He said the disarmament of party military wings and para-militia formations was the task of the republic's legally elected organs. The JNA is ready to give "expert, technical and other assistance," he added.

According to JNA estimates, there were around 100,000 members of various paramilitary formations in Bosnia-Hercegovina, such as the "National Guard," "Green Berets," "White Eagles," "Patriotic League," etc., Colonel Karic set out. The strength of those formations is best illustrated if compared with 100,000-130,000

men which was the JNA's entire force over the past ten years, Karic said. The command of the JNA Second District, covering Bosnia- Hercegovina, believes the creation of paramilitary formations was helped by the obstruction of the recruiting and mobilization system, national confrontation and absence of a legal state, which is the key generator of lawlessness and chaos.

The leaders of the three national parties agreed on main principles of the republic's future organization at the fifth round of the conference on Bosnia-Hercegovina in Sarajevo last night. The agreement was one of the outstanding questions which stirred up the creation of paramilitary formations.

Under the agreement, Bosnia-Hercegovina will be a state composed of the three constituent units, based on national principles and taking into account economic, geographic and other criteria. The question of the republic's future army will be discussed later amd the status of the JNA in Bosnia-Hercegovina will be examined separately.

HDZ Leaders Comment on 'Military Administration'

92BA0649C Split SLOBODNA DALMACIJA in Serbo-Croatian 7 Mar 92 p 3

[Article by O. Ramljak: "HDZ Leaders at News Conference in Zagreb: Military Administration in B-H"—first paragraph is SLOBODNA DALMACIJA introduction]

[Text] We seek the position of a sovereign and constitutive nation for the Croatian nation in Herceg-Bosnia, said Perica Juric, noting that the Law on Internal Affairs has already been suspended there and that a military administration has been introduced. The inviolability of Croatia's borders is the condition under which Croatia agreed to the arrival of UN peacekeeping forces.

Zagreb, 6 Mar—"For the Croatian nation in B-H [Bosnia-Hercegovina], we are seeking a definition to the effect that these are Croatian lands, and the position of a sovereign, constitutive nation. In addition, we insist that the rule-of-law state function there and that there be respect for laws and rights, especially rights to life," the vice chairman of the executive committee of the HDZ [Croatian Democratic Community], Perica Juric, emphasized at the regular HDZ news conference. He stressed that this is the minimum below which the HDZ will not go.

Continuing his report on the current HDZ viewpoints concerning the war crisis in B-H, Juric emphasized that the HDZ is opposed to force as a means for solving problems, and that it will not recognize any role by the "JNA" [Yugoslav Peoples' Army] in a policy area that does not concern it. Raising a local commanding officer to the level of a sovereign B-H, who in the role of "saint and protector of Bosnia can provide peace," is, in the estimation of the HDZ, the most unfortunate course. He was proposed by those who agreed in Sarajevo to talks with the "JNA," and the HDZ of B-H did the right thing by not agreeing to that.

Juric then expressed the fear that Croatia's experiences with the scenario of applied force in resolving the political crisis will not be enough to keep this from being replayed in B-H. For its part, the HDZ will do everything it can to help effect peace and dialogue and find a political solution. It will be persistent in defending Croatian interests and will not retreat from its proclaimed minimum conditions. He warned that a military administration is being introduced, that the Law on Internal Affairs is being suspended, which is an expression of the inability of the B-H government to exercise its authority, and that even life itself is threatened, while the perpetrators of crimes stroll around and are praised as heroes. The HDZ pins its hopes for a positive political solution on a continuation of the international conference and on international arbitration, and is opposed to "JNA" political arbitration amidst violence in B-H.

Journalists asked why Croatia is unwilling to acknowledge that it is participating in the negotiations, noting the refusal to provide any information whatsoever on the talks in Graz at the last news conference.

Juric explained that every state wants to get its hands on the most direct information about the opposing side, and that as part of the war contest it is engaged in talks with everyone, but that not all of them carry the same weight. The HDZ will do everything to see to it that Croatian policy is not "a variable of anyone's policy," and no one will dictate to Croatia with whom it will talk; if it is in the interest of a victory for Croatian policy, holding talks with the Devil is even possible, Juric concluded metaphorically.

Will the HDZ participate in the meeting of various political parties from the territory of the former Yugoslavia that is being prepared for in Vienna?

"A decision will be made after evaluating what will be offered at that meeting. If it is to Croatia's advantage, then we will certainly go," said Juric, noting that the HDZ has had enough of seminars about Yugoslavism.

Why is the leadership silent about the disposition of UN peacekeeping forces, which has already been disclosed abroad?

"Perhaps the draft plan is complete, but it is not a fait accompli, nor can it be without the agreement of the Croatian government," Perica Juric asserted. He told the journalists of his conviction that it is not possible for anyone to know a detailed disposition because this involves a significant military grouping, and that the goal of spreading such information is to create spiritual disquietude and a loser feeling as far as Croatia is concerned. One must continuously bear in mind Croatia's political stance that it will not give up a single inch of Croatian territory and that that is the condition

under which Croatia agreed to the arrival of the peacekeeping forces, which the world recognizes and which is confirmed by the principle of the inviolability of borders. Any concession would mean opening up centers of crisis and territorial pretensions, so that the inviolability of borders will be the imperative that the United Nations will have to impose on the world, Juric concluded.

HDZ executive committee vice chairman Drago Krpina said that there is justification for the questions resulting from citizens' fears that we will be tricked. To this, however, one must respond that there is no reason for fear, even though there is clearly no magic wand, so that the Croatian leadership will have to continue to be patient and persistent. But with the arrival of the United Nations, the logic of life will commence, the economic motives of the war will disappear, and once there is no "military kettle," there will be no motives for Serbian separatism in Knin, Benkovac, Obrovac, and Donji Lapac, because all parts of the economy can function only in the context of the overall Croatian economy. The pretext for the war was not the capture of Knin, Benkovac, and Obrovac, but rather the economic interest in capturing Slavonia and the Adriatic, and once Serbia failed at that, the "dogs of war" in Lika and the Dalmatian hinterland became a burden to Serbia. One should also not forget the continuation of the peace conference at which final solutions will be sought, and Croatia has a head start here because it will raise the question of minority rights in the territory of the former Yugoslavia, not only the rights of Serbs in Croatia.

Stjepan Herceg added to this an analysis of the legal structure in so-called Krajina. For example, it will clearly be impossible for the local police to be made up of the present-day participants in criminal practices, of which the Croatian side has irrefutable evidence.

Croatia

Russia Expresses Desire To Develop Cooperation

LD2003000692 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 19 Mar 92

[Text] [Foreign Minister] Dr. Zvonimir Separovic met with Yuriy Girenko, consul general of the Russian Federation, who presented him with a Russian Federation Foreign Ministry note expressing an interest in developing all aspects of cooperation with independent Croatia. The consul general conveyed the suggestion that documents and proposals regarding the development of economic cooperation be examined at the level of experts by the end of this month.

Foreign Minister, PRC Diplomat Discuss Ties

LD2003103392 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 19 Mar 92

[Text] Zvonimir Separovic, foreign minister of the Republic of Croatia, today received (Li Gou Bang), first secretary of the PRC Embassy in Belgrade. They discussed Minister Separovic's official visit to China early next week and bilateral relations. Since China has not recognized Croatia, Minister Separovic asked (Li Gou Bang) to convey his message to the Chinese Government to the effect that Croatia wants to establish political and economic relations with China at the highest level.

Tank Production Continues Despite Politics

LD1903132492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1041 GMT 19 Mar 92

[Excerpt] Zagreb, 19 Mar (TANJUG)—Corps General Antun Tus, Croatian Army chief of general staff, confirmed a recent report that Slavonski Brod's Djuro Djakovic firm, in cooperation with the Yugoslav Army, has almost completed a series of sophisticated tanks for export to Kuwait.

"Perhaps it sounds paradoxical, but the warring countries and sides are involved in a joint venture to produce and export weapons for third countries. However, the tanks are being assembled in our country and under our supervision," Gen. Tus told Zagreb's GLOBUS weekly. Corps Gen. Antun Tus said that the Djuro Djakovic firm severed cooperation links with Yugoslav weapons manufacturers late last year and that the enterprise has not been producing for export since the beginning of this year.

"However, the Republic of Croatia's Government concluded that contractual export obligations would have to be met. This implies that tanks for Kuwait are being assembled in Slavonski Brod," Gen. Tus concluded. [passage omitted]

Army Strengthens Positions on Lastovo Island

LD1903184192 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 19 Mar 92

[Report from Lastovo by SLOBODNA DALMACIJA correspondent Ilija Protudjer]

[Excerpt] Instead of leaving the island of Lastovo and dismantling its equipment, the Yugoslav Army is replenishing its armaments. It also is bringing in large numbers of new personnel, as well as anything that is geared to full combat readiness and to extending its stay in Lastovo for as long as possible. Among other indications suggesting this conclusion in the most explicit way is this morning's arrival of a large navy ship in the port of Lastovo. It brought in everything from cannon to food supplies, munitions, and personnel. [passage omitted]

Tudjman Refutes Allegations by Serb Patriarch

LD1903214192 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 19 Mar 92

[Text] Croatian President Franjo Tudjman sent a letter to Serbian Patriarch Pavle yesterday, in reply to Patriarch Pavle's letter to President Tudjman on 22 February.

Patriarch Pavle's letter to President Tudjman states that the position of the Serbian Orthodox population and their Church in today's Croatia has been endangered in many ways, that 71 places of worship, that is, sacred buildings, were either damaged or destroyed, and that 70 Orthodox priests have been forced to leave their parishes.

The Serbian people in the Republic of Croatia, the Patriarch stresses in his letter to President Tudjman, do not have freedom of religion. Patriarch Pavle also warns of the fact that the sufferings of our living Church in Croatia are considerably worse compared to the position of the Serbian Orthodox Church in Slovenia. Patriarch Pavle also says that he is unaware of any Roman Catholic priests being forced to flee their parishes. We are now broadcasting the full text of President Tudjman's reply to Patriarch Pavle's letter:

Your holiness,

I received your letter in which you wish to draw attention to the difficult position of the Serbian population and the Serbian Orthodox Church in the Republic of Croatia. I can understand your concern with regard to the religious life and parish activities of Orthodox bishops, priests, and believers. However, since I have personally always advocated peace, reason, and the resolving of all, especially political problems in a Christian way, I am at liberty to warn you of some facts which you certainly ought to be aware of.

I find your letter all the more astonishing because—apart from serious, incorrect, and even unsubstantiated accusations and claims, above all directed against the Croatian authorities but also against the Croatian nation—it does not contain any words or expressions of condolence for all the agony, pains, and destruction which the Croatian people, as well as all citizens of the Republic of Croatia, sufferred in the war of aggression imposed on Croatia against all things Croatian and Catholic.

Your holiness, I must be open with you, because I feel from your letter that you are not sufficiently acquainted with all events in the Republic of Croatia, with all the sufferings, expulsions, and killings of not only the military, but also civilians, children, women, and the elderly; with the fact that over 200 Catholic churches and places of worship have been destroyed, that Catholic priests have been ill-treated and tortured. This is just a fraction of the picture of a bloodstained, destroyed, and pillaged Croatia.

This Croatia has been a homeland of not only the Croatian people, but also of Hungarians, Slovaks, Ruthenians, and Czechs who did not suffer less in this brutal aggression against Croatia. It has also been a homeland of the Serbian Orthodox people to whom I personally, and not just once, appealed to insure coexistence with all the other citizens of Croatia, especially with the Croatian people. Other bodies of the Croatian leadership—from the government to the assembly, as well as various other institutions—did the same.

However, there was no response, with the exception of those Serbs who accepted democratic changes and who wanted to find in them and to express in a democratic way—through official institutions—their own political, conomic, cultural, and other interests in Croatia, their common homeland.

Your claim that no Roman Catholic priest has ever been forced to leave his parish is an obvious proof that the information you are receiving is not only incorrect, but also intended as false. Your holiness, this does not depend on you personally, but on those who are advising you and providing you with false information. Our efforts have always been turned toward peace and peace alone. We have always wanted Croatia to be the homeland of peace and security for all its citizens.

Apart from this, I am deeply aware of the fact that it is not not only necessary but also absolutely vital to insure free religious life and pastoral activities for bishops, priests, and all other citizens of Orthodox religion in a free and sovereign Croatia. In this respect I will personally do everything in my power in order to create and secure conditions of such a life.

Croatia, your holiness, will respect all human, citizens', national, and religious rights as well as all the rights of the Serbian population. I personally see no obstacles to the return in Croatia of the bishops and priests of the Serbian Orthodox Church since there was no reason for their departure in the first place, because no one was persecuting them.

Your holiness, I can therefore personally guarantee full security for all those who recognize the sovereignty of the Republic of Croatia.

And the last thing I would like to tell you, your holiness, is that in my letter to you last year—after the distressing events in Plitvice Lakes—I said that I would be very happy if you were to encourage all those who [word indistinct] promote murderous hatred and who started the war of aggression against Croatia to give up terrorism and arms, war, and violence for the sake of a peaceful and fruitful coexistence between the Croatian and Serbian nations. If your voice had reached them more clearly, I believe that such a war against Croatia would not have taken place, states the letter which President Tudjman sent to Serbian Patriarch Pavle.

Paraga To Fight for Unification With Bosnia

LD1903235892 Belgrade TANJUG in English 1155 GMT 19 Mar 92

[Text] Belgrade, Mar 19 (TANJUG)—Leader of the Profascist Croatian Party of Rights Dobroslav Paraga has said that his party has armed around 30,000 people in the Yugoslav Republic of Bosnia-Hercegovina and

that it will continue "to fight for the unification of Croatia and Bosnia-Hercegovina into an independent state of Croatia using all means."

Paraga expressed this stand in a recent talk with President of the Foreign Policy Committee of German Parliament Hans Sterken in Bonn, the Belgrade daily POLITIKA says today quoting a party statement about these talks. According to the party statement, which is carried by the Belgrade daily, the German official said that "neither the West nor Germany would have anything against such developments if they take place peacefully and are in the function of European integration."

POLITIKA reports that Paraga also said that his party army—the Croatian Defence Union (HOS), is "the only organized Croatian Army in Bosnia-Hercegovina" and that its force of around 30,000 fighters "presents a factor of peace" in that republic.

The presence of HOS units in western Hercegovina and other parts of Bosnia-Hercegovina disturbs citizens of Serb nationality who fear possible ethnic conflicts. Leaders of the coalition of ruling national parties in Bosnia- Hercegovina—Muslims, Serbs and Croats—reached agreement on Wednesday morning that this republic, within its present borders, be organized as a state composed of three constituent units based on ethnic principles.

Under the agreement, the leaders of the three national parties obliged the governments of the constituent units not to incite or support aspirations of neighbouring states towards any part of the territory of Bosnia-Hercegovina.

The statement by the Croatian Party of Rights also says that Paraga informed Sterken about "examples of gross violations of human rights in Croatia, the interference of Republican President Franjo Tudjman in the work of legislative institutions, unprecedented censorship of the media, and replacements of reporters who are found unsuitable."

Federal, Krajina Laws To Apply in Krajina

AU1903214492 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 19 Mar 92

[Interview with Goran Hadzic, president of the Republic of Serbian Krajina, by Dragan Milutinovic; place and date not given—recorded]

[Text] [Milutinovic] Mr. Hadzic, the Assembly of the Republic of Serbian Krajina will be sitting in Knin, the main city of the Republic of Serbian Krajina, on 21 March. What will be the focus of this session and will any important decisions be made?

[Hadzic] It is true that a regular session of the Assembly of the Serbian Krajina is going to be held in our main city. We will be passing about 50 very important laws in a regular procedure, including, among other things, what everybody has been impatiently waiting for, laws on citizens' identification documents. We will completely conclude everything that has not been finished so far before the arrival of the blue helmets. We will harmonize the decisions and laws that have been adopted by the assemblies of the three Serbian Autonomous Regions and we will thus coordinate, so that we will have all the conditions to welcome the blue helmets in the way we should.

[Milutinovic] Since we are already talking about the blue helmets, the territory that they will control is still an object of manipulation, and it is being questioned which laws will be implemented on this territory. It is well known that the Presidency decided that federal laws will be implemented. Are you in a position to implement the federal laws?

[Hadzic] We will implement the federal laws and laws of the Republic of Serbian Krajina. That is clear. Of course, from the first day of its operation, the Croatian Democratic Community has been practicing manipulation, and 50 years ago they were manipulating Croats in various ways. The manipulation that is being heard is only their manipulation and every Serb knows that this people, the people of the Republic of Serbian Krajina, will not accept any Croatian laws at all. We have absolutely nothing to do with Croatia, apart from the fact that we are neighbors. That is clear. Federal laws will apply.

[Milutinovic] As regards the Krajina's bureau in Belgrade, it was open until a short while ago. However, it was closed for some special reasons.

[Hadzic] A lot of unnecessary fuss has been made of this, that is, the government decided a few days ago to close the bureau temporarily, as well as the bureau of Slavonia, Baranja, and Western Srem and the bureau of the Serbian Autonomous Region of Krajina because these were bureaus that were set up before we had set up the Republic of Serbian Krajina. This was a normal procedure. Through our Ministry for Internal Affairs, we asked and demanded that the Ministry of Internal Affairs of Serbia carry out this task. This was done and we expect the bureau to open again in a few days time. It should be the joint bureau of all Serbs in Krajina and not just forthose from the former Serbian Autonomous Region of Krajina. We expect the bureau to open again on 23 March as normal, so there are no problems.

[Milutinovic] Thank you, Mr. Hadzic.

[Hadzic] Thank you.

Krajina Political Scene, Serbian Question Detailed

92BA0635E Belgrade NIN in Serbo-Croatian 6 Mar 92 p 17

[Article by Srdjan Radulovic: "Tit for Tat"]

[Text] Will the pair of Krajina chauffeurs, Goran Hadzic and Mile Paspalj, successfully complete the political "trip" they have started, taking their cues from Belgrade, or will Milan Babic stop the "cavity" which is seriously eroding his positions? This question, not all that much deserved, has become the key dilemma on the Krajina political scene. That is, forecasting the outcome of the conflict between the former and present "Milosevicites" is a counterproductive topic for the factors determining the destiny of Krajina.

Posing it in practical terms, the "Serbian question" west of the Drina has pushed the reality of life into the background. In Bosnia, that reality was the "bloody wedding" in Sarajevo, when only a day or two before Radovan Karadzic was engaged in pacifying the Banjaluka "hard-line" wing in the SDS [Serbian Democratic Party] of B-H [Bosnia-Hercegovina], which was not well-disposed to his (!?) Yugo-B-H option. Pacification in Krajina is proving somewhat more difficult, and because of the obsession of the media with Krajina political ferment, the reality that is called war has been forgotten.

Reality is also the fear of Krajina citizens that the announcement of a compromise settlement of Krajina's status could come true, and fear encourages the belligerent statements of Croatian supreme commanders, and also the ferment in B-H, and disbelief in the effectiveness of the protection that the "blue helmets" can offer. However, in spite of everything reality is also the commitment of the citizens of Krajina to peace, and a part of that is also Babic's assent to the coming of the peacekeeping forces.

Babic's Removal

Nevertheless, the pressures on Babic continue. The newly installed Krajina leaders from Borovo Selo have come so close as to be within reach of Knin. A meeting of the government of the RSK [Serbian Republic Krajina] from Borovo Selo has been held in Golubic, and Jugoslav Kostic and Sejdo Bajramovic lent their presence to the opening of the School of the Krajina MUP [Ministry of Internal Affairs]. Mile Paspalj greeted those present, who were one-tenth of those who were at the rally in support of Babic, as "dear Kninians." Kostic promised the opening of a plant, just as Dusan Matkovic, Serbian minister for industry, did two years ago. Bajramovic spoke in favor of the national rights of the Serbs, and the famous Arkan threatened the Croatian authorities that in case of aggression against Krajina Zagreb would become "Serbian Zagreb." Rade Matijas, correspondent of VECERNJE NOVOSTI, was the master of ceremonies at these festivities; he was later rewarded with the job of editor at TV Krajina. Those in the Zecevic government who formerly shared his views in the elections and in the party "altered" Racan's Communists, and later "Mikelicites" made the economic blockade of Krajina official. In Knin and other places there has been no fuel for automobiles for a long time, there are fewer and fewer goods, and now revolving fund accounts and settlements have been blocked. The key officials of Krajina collectives, especially those from Knin, are coming back from Belgrade without having done the job done, with the message that "there will be a supply of everything when they remove Babic."

The government loyal to Babic proclaimed these moves to be examples of the "history of dishonor," and on the principle of "tit for tat," which has already been seen, a meeting was held of the Assembly of the so-called Knin convocation, which addressed fierce criticism to the meeting in Borovo Selo, the "SFRY Presidency," and the "truncated" JNA [Yugoslav People's Army]. Uros Funduk, president of the "Constitutional Court" of the RSK, called the Glina meeting of the Assembly a "military putsch," whose purpose was to bring down the government in Krajina, and this task was to be carried out by Hadzic, Paspalj, and others, who will never come to Knin, because if they were to do their job, Knin would be in Croatia, Funduk said. He noted that Babic's current no longer has any support at all, not even the armed one. In a way, he thereby restored relevance to the earlier dispute over the role of Territorial Defense [TO], which supported Babic, and that of Martic's police. The theory of weapons being put at the service of political goals has now become reality. The Krajina TO is under the command of Colonel Stojan Spanovic, who has banned rallies in support of Babic in Lika, the police are under Martic's control, and Babic has not been seen for a long time in command of the Knin Corps. The possibility is not precluded, then, that Babic has been forcibly "moved" from his office in the building of the Knin Opstina Assembly, and his followers openly speak about threats of the other side that they will "take over" the post office, Radio Knin, the Knin TO headquarters....

Conflicts at the Top of the Serbian Republic Krajina

Who do you consider the legal president of the Serbian Republic Krajina: Babic or Hadzic?

Hadzic	63.5 percent
Babic	13.0 percent
Both	4.0 percent
Neither	8.5 percent
Do not know	11.0 percent

How will this dispute in the leadership of the Serbian Republic Krajina be settled?

Babic will have to leave	28.5 percent
They will agree	24.0 percent
The conflicts will continue	7.5 percent
Do not know	40.0 percent

The first weekend in March Knin's research center conducted a telephone survey of 200 randomly selected telephone customers in the Republic of Serbia.

Babic's Move

Without any very serious armed support, exposed to pressures from Belgrade and opponents within Krajina

who are being used—among whom the absence of "Raskovicites" disappointed with the outcome of the meeting in Borovo Selo is notable—Babic has also become of less interest to those who worked closely with him until yesterday. There has also been a "loss of fervor" in certain ministers—political converts—of whom there were quite a few in Babic's entourage, and others who have "made Serbism pay." The loyal ones dramatize the situation beyond all measures. Thus, Slavko Ozegovic, "minister" for internal affairs of Krajina, by decision of the Knin Assembly banned the meeting in Golubic "because of possible incidents," which did not occur, but the ban was not implemented, because the "dual" minister has no police with which to do that. An appeal is issued to citizens to preserve the peace and decency and to refrain from mass protests, although the only mass meeting announced was the protest of the workers of TVIK [Knin Screw Factory] because of removal of the director, who had given support to Babic's opponents. "Every drop of human blood is more valuable than all the political intrigues," was the message of the Knin government of the RSK, and the Knin convocation of the Assembly openly called for members of the Krajina police to "place themselves on the side of the people and exercise the legitimate and legal authority of the RSK."

Stories are being circulated about embezzlement and theft. The two parties are exchanging charges with one another through the newspapers, which incline toward the yellow end of the journalistic spectrum. However, an attempt to find even one document proving who has stolen, embezzled, or smuggled what, was unsuccessful. It will soon be demonstrated whether such papers do not exist or are being held back for the final blow.

However, even that will not resolve the dilemma stated at the beginning of this article. Practically the only way of surmounting the present duality of authority, the mutual accusations, the challenge to the legitimacy of the decisions made, are elections. Babic was the first to make the move and schedule elections for 19 April. Unless the other side consents to this "challenge," we will not learn in the name of what people decisions are being made by the groups whose followers are fighting for the Krajina "throne" at the moment.

Article Says Bosnia To Follow Croatia's 'Fate'

92BA0637C Zagreb VECERNJI LIST in Serbo-Croatian 7 Mar 92 p 15

[Article by Milan Jajcinovic: "Barricade of Meat Pies"—first paragraph is VECERNJI LIST introduction]

[Text] What happened to Yugoslavia could also happen to its "spitting image," Bosnia-Hercegovina. The paradigm of Bosnia-Hercegovina politics is the Sarajevo resident who is opposing the barricades through his "surrealist" action with the meat pies.

Will Bosnia-Hercegovina repeat the fate of Croatia in an even more tragic form? The answer to such a fateful question can be based on will or reason. If one judges only by what one would want, what would be more convenient and comfortable, then the answer will quite certainly be a negative one. If one judges, however, by the similarities with what has already happened in Croatia, and is now springing up throughout Bosnia-Hercegovina, then one could answer much more pessimistically and mournfully, almost affirmatively. Consequently, as always, the answer depends on what viewpoint one looks at it from, and how. Naturally, neither one can influence the reality, especially with respect to such a complicated reality as Bosnia's.

Some military theoreticians who rely on Bosnian facts, viewing them in the Balkan and world geopolitical environment, maintain that opening up a new war front would be an insane thing for Serbia to do, equivalent to rushing into an abyss. Of course, such analyses always involve facts, i.e., something verifiable and rational. One then proceeds from this to make predictions. One of them is that a war in Bosnia-Hercegovina would end catastrophically for Serbia. The "Islamic factor," both in the Balkans and in the world, is always reiterated in such cases as an argument for the assertion that Serbia would be the final loser. Undoubtedly this is a rational argument, a fact that could actually be a so-called factor in dissuading Serbia. Usually, however, there is little profit in speaking rationally about the irrational. Trying to grasp Serbian policy through rational methods today is like trying to catch water with one's hand. The only evidence of such an act is a wet hand.

Foolish Stories

Those who perceive the stories of Radovan Karadzic and people like him as insane, nebulous, and foolish can be understood. At the same time, however, such people show that they have not understood the spiritual core of current Serbian policy, and that is a nucleus that is, beyond any doubt, completely irrational. That world view is a mishmash of all sorts of things, but most of all St. Sava-ism (understood as Greater-Serbianism), the cults of brigandage and the Cetnik movement, and also the guerrilla tradition. The fundamental principle of such spiritual totalitarianism is that everything that expands Serbia is permitted. How old and deep the roots of that credo are is most strikingly demonstrated by the case of the famous "old man Pero," later King Petar Karadjordjevic the "Liberator." The king himself was a guerrilla and a Cetnik. During the Turkish rule he came to Bosnia to engage in guerrilla warfare, guided by the belief that "Bosnia is a Serbian land." Consequently, if King Petar could lay claim to Bosnia and in the name of that even reach Vacar Vakuf (later named Mrkonjic Grad by him), why couldn't Karadzic, Koljevic, or someone else claim the same thing today?

With his acid and bitterly ironic comment that the stories about the "Muslims' attack against Pale" showed the same degree of absurdity as the claim at one time about "Dubrovnik's attack against Trebinje," Alija Izetbegovic showed that what Karadzic and his patrons were

dreaming about Bosnia was nevertheless transparent to him. Is knowledge of this enough to prevent it? Obviously, it is not. Why? Primarily because of the state of awareness of a multitude of Bosnians, an awareness that is still lulled by the experience of "neighborly relations." Admittedly, that tradition is still alive, but it increasingly gives the impression of a shell that has almost been abandoned. It is as though people do not want to take into account reality as a result of that faded tradition, as though they do not want to face it as it is but rather as they would still like it to be, as it perhaps once even was. This is also apparent from the enthusiasm over the unarmed Sarajevo "attack against the barricades" and the rapture over how the "little people" overcame the "boots."

The "Little People" and the "Boots"

It is as though not only the Bosnian leadership, but also the common "little people" do not want to confront fully what is happening in Bosnia-Hercegovina, and especially the similarity with what has happened in Croatia. It is all so similar, however, that it leaves almost no doubt about what is being prepared. The technology is the same: rumors, the "danger to Serbian security," barricades, "the Serbs' right to defense...." The main thing is to proclaim and actually produce the other side, the one that is "threatening the Serbs."

Even when everything was already apparent and known, one could see Bosnians' confusion on TV, from the "little people" to journalists and politicians. One could see the confused and panicked JUTEL reporter Goran Milic (who on this occasion was apparently in his "natural" role as a "conciliator of the people"), the Sarajevo journalists who are comforting themselves by deluding themselves, and the politicians who still do not want to believe in what they are seeing, and even less in what could follow.

By comparing Trebinje, Dubrovnik, and Pale, Alija Izetbegovic showed that it was nevertheless clear to him what Karadzic and others intended for Bosnia. Why, then, did he consent to the agreement that made it possible for the army to come out into the streets? Even if Josip Manolic and Stjepan Mesic did not know what would happen after their consent for the army in Croatia to engage in "establishing order," Izetbegovic must have been fully aware of what this would yield. In spite of that, he is consenting to having the army brought out of the gates of the barracks!

What the army's "peacekeeping role" is like might be seen once more in Bosnia-Hercegovina, only in a more tragic manner. One more illusion is circulating in Bosnia—that the United States will prevent general chaos in that republic. "Right," as old and more sensible Bosnians would say. People think that prior to any major entanglements, the United Statets would already have found innumerable ways to warn Serbia effectively to watch what it is doing.

Instead of this, the United States, virtually since the beginning of the Yugoslav crisis, has remained consistent to its halfhearted warnings, which Serbia hears and ignores. They are not binding upon Serbia, and they create illusions among non-Serbs.

Halfhearted U.S. Warnings

The U.S. presence in the Balkans is limited to verbalism, and it is hard to believe that this could be different in the future. Serbia is exploiting this. It wants to cram as much as possible into its new "Yugoslavia." Slovenia has never been in its "sphere of interest." It has freed one flank by apparently leaving Macedonia alone. When it feels that its "interests are threatened" in the south, it will come back to "defend them." Now it wants to "guarantee them" in Bosnia-Hercegovina. It wants Bosnia whole, without anything left over. Half of Hercegovina would probably be "magnanimously" left to Croatia. It does not want to consent by any means to an independent and united Bosnia-Hercegovina. With this persistence, the Serbian authorities are remaining faithful even today to the Black Hand's slogan: "Unification or death!" They are prepared to force a war in Bosnia for the sake of this. They are now trying to continue the unification of Serbian territories, begun with the campaigns against Kosovo and Vojvodina, with a new annexation of Montenegro, the severing of the "Krajinas" from Croatia, and the forcible annexation of Bosnia.

Part of Zagora, Bukovica, part of Lika, Kordun, Banija, part of western Slavonija, and eastern Slavonija are already considered faits accomplis. In those areas "the Serbs across the border" are establishing direct contact without taking into account the "administrative borders." They are therefore trying to destroy the bridges that link Bosnia with Croatia, and Croatia with the Bosnian areas that have a Croatian majority population. The sabotage at the bridge in Bosanski Samac and the attacks against the bridge in Bosanski Brod demonstrate precisely this attempt to establish the border between Croatia and "Yugoslavia" on the Sava, starting with Stara Gradiska. The attempt to bring together "all Serbs" can also be seen in the mining of the bridge on the Neretva, and the announcement of border controls at the entry to what until recently was the "Eastern Hercegovina SAO [Serbian Autonomous Region]." With the unification of "all the Serbian lands," perhaps the Muslims could be "generously" left the turf of Bosnia, what Porphyrogenet once called "horion Bosona," the "little land of Bosnia," to do with as they wish.

Bosnian Bloody Feast

Precisely as a result of the general irrationalism of the current Serbian policy, a bloody feast is being prepared for Bosnia. Unfortunately, it is more likely that it will happen than that it will be avoided. If it led to the collapse of Yugoslavia, and if Bosnia-Hercegovina is "Yugoslavia in miniature," then by that very analogy the same fate is hanging over Bosnia-Hercegovina. The same thing that happened to Yugoslavia could also happen to

its "spitting image," Bosnia-Hercegovina. The "surrealist" attempt by one Sarajevo resident to neutralize the ominousness of the real barricades with a "barricade of meat pies" is worthy of admiration, but it is tragically ineffective, like the present Bosnia-Hercegovina policy.

Serbian 'Territorial Expansion' Tactics Noted

92BA0635B Zagreb VJESNIK in Serbo-Croatian 5 Mar 92 p 1

[Article by Hido Biscevic: "The Horrifying War Scenario"]

[Text] In the performance of the same scenario of "threatened Serbs," which is pressed for time and which so far has been made evident for Kosovo via Slovenia and Croatia, the Serbian political leadership is showing its cool willingness to cause general warfare in Bosnia-Hercegovina [B-H] so that they might prevent the former central Yugoslav republic from becoming independent on the basis of a referendum on independence.

Because the B-H referendum, after Slovenia and Croatia became independent states, has dealt the definitive death blow to the fiction of the federation and parayugoslavism, Belgrade's answer would be in the form of a death blow to B-H as a unified state territory. Ensuring the territorial expansion of Serbia to Montenegro, and relying on the so-called continuity of Yugoslavia in Serbia to leave Kosovo and Vojvodina without application of the Hague principles and "special status," Milosevic's regime decided to start up the war machine in B-H so that in the latter phases it could attempt to return the entire political and war drama on the space of the former Yugoslavia to the very beginning.

That is, the war scenario in B-H has several obvious objectives.

First, to destroy the results of the referendum and to halt the process of the independence and recognition of B-H.

Second, to destroy and evade all the principles on which the internationalization of both the Yugoslav crisis and the B-H crisis has so far been based, including the fundamental decisions of the EC peace conference, the UN resolution, and the views of the United States, particularly those concerning the disintegration of Yugoslavia, the transformation of republic borders into state borders, and the unchangeability of borders by force. Third, to cause the general chaos of violent war so that in that kind of horrifying psychosis of general bloodshed it can carry out a large-scale movement of the population.

Fourth, after that to implement the territorial division of B-H into "purer" ethnic-territorial entities and then to attach the so-called Serbian Republic of B-H to the parent Serbia.

Fifth, postpone the internal Serbian conflict by means of escalation of the war in B-H, and, with appropriate populist propaganda, perhaps even intentionally provoke bloodshed in Belgrade during the scheduled demonstrations of the opposition to provide the pretext for still greater repression.

Sixth, postpone the arrival of the UN peacekeeping forces in Croatia because of escalation of the war in B-H, combined with continuation of false cooperativeness, through Milosevic's talks with Mr. Vance or by means of B. Jovic traveling to UN headquarters in New York, where at the very least he will try to make use of the top-level and middle-level commanders of the peacekeeping forces.

Seventh, provoke a new round of escalation of the war in Croatia in case of a further extended postponement of the arrival of the UN forces, combined with anticipation or secret encouragement of certain Croatian forces to move to liberate temporarily occupied territories, which would serve as an excuse for postponing withdrawal of the remaining Army forces from Croatia and would take the whole problem back to the beginning.

Execution of this horrifying and cold-blooded scenario is counting on the Serbs in B-H, on the strength of the Yugoarmy in that "largest arsenal in the world," and on further hesitation of the international community to back up its political views with peacekeeping forces.

So long as unprecedented moral cynicism prevails in the most important Western capitals—a cynicism that thoughtlessly allows chaos to be created in this part of the Balkans in the shadow of haggling over a few tens of thousands of dollars more or less in the price of the peacekeeping operation, when that chaos could take several tens of thousands of human lives—Milosevic will still believe that he can continue the aggression on behalf of Serbian expansionism. It is precisely with the B-H example that the "Muslim Allende" Alija Izetbegovic can quickly, perhaps even very tragically verify the ability of the EC, United Nations, and United States to stand behind their own principles, because it is the EC that recommended the referendum in B-H, because the United States is making it clear that it is against violent change of the borders of B-H, and therefore bears special responsibility.

In view of the horrifying regional and even global implications of war in B-H, which would be practically impossible to isolate in space, as was the case in Croatia, the new situation in B-H presents the most important international institutions and factors with the question of how much they are to be believed and how able they are to prevent a "new world chaos" from occurring instead of the "new world order."

In the midst of those circumstances, following Izetbegovic's agreement with the Army, the decisive thing seems to be the resolve of the international community, above all through Mr. Vance's mission, and the behavior of the Army itself. Insofar as it seemed that in B-H we were looking at a repetition of the "Croatian scenario," in which the Army was brought in as a factor for

separation in order to prepare for military intervention and a political coup d'etat to bring down Izetbegovic himself, it should be borne in mind that the entry of the Army into the third war in a row on the space of the former Yugoslavia, that is, its further service to Milosevic's project, would in the end result in the total collapse of the remaining forces of that Army. At least a segment of the top military leadership is probably aware of this—in coming days, then, it will be worth checking to see whether the Army is ready to enter a new war to save Milosevic, or if there will be a political stratification in the Army and the so-called constructive military intervention in Serbia in order to stabilize conditions there for the reform process that has been initiated with the blessing of the West.

Left-Wing Leaders Consider Possible Coalition

92BA0649A Zagreb VJESNIK in Serbo-Croatian 8 Mar 92 p 2

[Article by Branko Podgornik on responses to written questions by Croatian opposition leaders Ivica Racan, Zeljko Mazar, and Antun Vujic: "Left Will Survive Elections"—first paragraph is VJESNIK introduction]

[Text] The chairmen of the SDPH [Social Democratic Party of Croatia-Party of Democratic Changes], SSH [Socialist Party of Croatia], and SDSH [Social Democratic Party of Croatia] respond to questions about the fate of the "left" in the upcoming elections, about the programs that will be offered to voters, and about a potential leftist coalition.

It is very important for stability and balance on the Croatian political scene that there be, in addition to the numerous "center-right" parties, a strong "left" as well. As we wrote in the latest edition of NEDJELJNI VJESNIK, the left is currently divided and estranged.

There is a significant chasm between the two main parties on the left—Ivica Racan's Social Democratic Party of Croatia-Party of Democratic Changes and Antun Vujic's Social Democratic Party. Each has its own reasons for rejecting the notion that the other be considered part of the left wing. For example, the SDPH reproaches the SDSH for being "Portuguese-style" social democrats with a rightist orientation, while the SDSH adds that the SDPH is a "Qadhdhafi-style" leftist party.

Political and other interests show that, nevertheless, something could emerge from the current bickering on the "left wing." Only time will tell what this will be. For the sake of orientation, we posed the same questions to the three party leaders: Socialist Party of Croatia chairman Zeljko Mazar, Social Democratic Party of Croatia-Party of Democratic Changes chairman Ivica Racan, and Social Democratic Party of Croatia chairman Dr. Antun Vujic. Each of them was given the space of an index card for their answer, but Racan responded by telegram, Mazar significantly "exceeded the quota," and Vujic was right "on target."

Ivica Racan

[Podgornik] Does the Croatian left have any chance of surviving the coming elections?

[Racan] Yes. As much a chance as democracy does.

Specifically: Can you imagine democracy without a left wing? If you can, how will you remove Croatia from Europe?

[Podgornik] What program will your party present to the voters?

[Racan] We will go into the elections with our own electoral program. But more important than this is: What is the program with which the present-day problems can be solved—in order that elections even be possible?

[Podgornik] Can the SDPH, SDSH, and SSH create a leftist coalition in the elections once the campaign begins?

[Racan] Of the many solutions, a leftist electoral coalition is one possibility.

Zeljko Mazar

[Podgornik] Does the Croatian left have any chance of surviving the coming elections?

[Mazar] The left in Croatia not only has a chance of surviving the next elections, but actually will survive them. I am convinced that a large number of people continue to find hope in the left, because their lives are more difficult every day and there are fewer and fewer politicians who are willing to talk about Croatia as a social state.

In the emotionally charged political euphoria that has overcome us, realistic and reasonable policy has been forced from the public scene, which is an exceptional hindrance to the political activities of the democratic options. We still do not have classical political parties with a clearly developed and recognizable party identity. On the one hand, we have populist parties that mobilize people around a national program, not a political one. On the other hand, liberal and social democratic parties, from which Socialists are not excluded, are still wandering back and forth between national populism and clear political definition.

For centuries, euphoria and people who want to save us have been recurrent historical features here. But there are no individuals, nor individual political parties who have a magic wand for solving all problems. Thus, we are turning to democracy and not to national saviors.

[Podgornik] What program will your party present to the voters?

[Mazar] The postcommunist era is exceptionally difficult. The liberalization movement was set in motion at a

catastrophic speed and with inadequate intellectual organization, and the people simply do not know how to cope. There are new crises in economic, cultural, and moral perspectives. And now the question arises of how to approach the voters and attempt to explain to them the complexity of the problems, and "open up" a perspective to them through a consistent and accessible program. For us Socialists, the most essential issue right now is the introduction of capitalism through well-organized and reasonably fair privatization while at the same time protecting the workers, which can and must be effected through legislation and a strengthening of the labor unions. Perhaps it seems absurd that Socialists support the introduction (strengthening) of capitalism, but without entrepreneurship there can be no progress in society. The initiative must be left up to the most capable and the most entrepreneurial, because only they can pull all of society forward and offer such a necessary perspective. Thus, we feel that it is necessary for Croatia's future that entrepreneurs, intellectuals, and workers be set in motion who see a perspective in economic development, and not in national symbols. Patriotism is a sublime feeling, but you cannot live on it.

There is another thing that is essential. In our country, policy is pursued under the slogan of "postponing to the future," as if things will be resolved automatically, on their own. If we expect better times to come, then they will not come. The more we expect, the closer we are to ongoing impoverishment. Our people are knowledgeable, capable, and willing. They must only be offered the opportunity, and should not be continually fettered and restricted.

[Podgornik] Can the SDPH, SDSH, and SSH create a leftist coalition in the elections once the campaign begins?

[Mazar] They can, but that does not mean that they will. A coalition in the preelection campaign does not mean that much in and of itself, as we saw in the last elections. In a proportional election system, postelection coalitions are much more significant, while in a majority system preelection coalitions are more important. The extent to which we have a complicated political situation is reflected by the fact that on many issues the parliamentary opposition parties from the "left" to the "right" are in agreement, and that a very successful coalition has been created in the Government of Democratic Unity.

The creation of a leftist coalition would be desirable, but for now only the possibility of ties is being considered. The Socialist Party of Croatia has been and remains open to broader ties on the left, and has itself initiated such ties. I think that the time is coming when narrow partisan interests will prevail and a project for a strong democratic left will be offered based on the ideals of social democracy. The only question is whether we will wait for this to happen or whether we will actively influence this process.

Antun Vujic

[Podgornik] Does the Croatian left have any chance of surviving the coming elections?

[Vujic] Your definition of the "Croatian left" is very much a cliche and a continuation of old-mentality political prejudices, which define left and right exclusively in terms of a party's name. If not all, but some of the mentioned parties are on the left, then we are on the right, and if we are on the left, then not all, but some of the mentioned parties are on the right; but we are simply the party of "labor and creativity," the party of the population that is dependent on labor. Let anyone call it what they want, and let anyone join it who can.

In this sense, this and only this left wing, or whatever you want to call it, has a serious chance in the coming elections, because people are starting to pay attention to the question of who is governing and how, and what they are living on, and not what someone's name is.

[Podgornik] What program will your party present to the voters?

[Vujic] Our program is one of broad-based and operationalized social renewal, with a division of ownership among workers without compensation, with clearly established relations of labor and ownership based on European standards for labor legislation, with fully-developed instruments for overall economic policy—and in particular, this is a program for young and professional people, with such prospects of both the party and the candidates, for the sake of painstaking development planning and avoidance of the catastrophic social consequences imposed by the war and by the policy of the ruling party. Also, an end to the war, for the sake of Croatian unity, can be put forward only by a party as sound as ours.

[Podgornik] Can the SDPH, SDSH, and SSH create a leftist coalition in the elections once the campaign begins?

[Vujic] Once again this fictitious "left"! My response is the same as to the first question. If we were to create a coalition, it would be a coalition of social and democratic forces, across these present-day cliches of ancient political geography. And our list itself will be more broadly based than narrow party membership; most of all, an open list of modernism, for a modern, young, and ultimately European Croatia. Thus, we will have a broad base, but with our own face and reputation, and we will join with those who accept this same reputation.

Social Democrats Propose Election, Privatization

92BA0649B Split SLOBODNA DALMACIJA in Serbo-Croatian 7 Mar 92 p 6

[Article by O. Ramljak: "Social Democratic Party of Croatia (SDP or SDPH) News Conference: SDP Remains in Government"—first paragraph is SLOBODNA DALMACIJA introduction]

[Text] At the next Assembly session, the Social Democratic Party of Croatia [SDP or SDPH] will put forth two initiatives: It will propose the holding of presidential elections only, and a solution for the transformation of ownership. Ivica Racan: Despite all the criticism of the government's work, the SDP intends to leave its two members in it until it deems that the government is grossly violating the agreed criteria.

Zagreb, 6 Mar—The Social Democratic Party (SDPH) is bringing two initiatives to the Assembly session: the holding of presidential elections only and a solution to the problem of the transformation of ownership. This was emphasized at today's SDP news conference, which Ivica Racan introduced by discussing the Government of Democratic Unity and the attitude of that opposition party to it. He warned that some of the criteria agreed to when forming the Government of Democratic Unity have not been respected, while some of them have simply disappeared. But there are still reasons that prescribe a policy of democratic mobilization in our homeland, previously in defense of the republic, in the struggle for its recognition, and now in the area of successfully creating a modern, sovereign, democratic state on equal footing with other states in Europe. For this reason, despite all the criticism of the government's work, the SDP intends to keep its two members in the government until it deems that the government is grossly forsaking the criteria accepted through agreement when it was created.

Continuing his presentation, he pointed out three weaknesses that characterize the government's work: the difficult and sluggish formation of Croatia as a rule-of-law state and the establishment of a higher level of legal security for its citizens; the problems of a free press, especially in terms of the work of Croatian Television; and problems in the social sphere. Racan welcomed the critical consciousness of omissions coming from the government itself, as expressed recently by Prime Minister Greguric.

Announcing his party's initiatives regarding the election and transformation of ownership, Racan emphasized that much has been said over the past few months, and even in strong terminology, about the holding of elections, while in the area of economic transformation there is currently a blockade in effect, or rather the danger that the Croatian economy is being predominantly transformed into a state-controlled economy with the excuse that this will be temporary in nature. "We think that state ownership, together with trends towards converting the ruling party into a state party and with state control over the critical public and over public media, would constitute a highly dangerous attack on the democratic prospects of the Republic of Croatia," Ivica Racan concluded.

SDP vice chairman Stjepan Ivanisevic explained the initiative on the conduct of presidential elections. Through presidential elections, the president of the republic—who enjoys legality, but not legitimacy when chosen according to the old, now invalid Constitution, but who derives his authority from the new Constitution—would gain legitimacy and become the president of all citizens of the Republic of Croatia, and not predominantly the president of the ruling party. Furthermore, there is no dispute surrounding the Law on Election of the President, nor concerning the basic principles of the Law on Election of Opstina Governments and of Parliament. In contrast to the ruling party, the entire opposition is seeking an agreement on the basic principles of the law and is expressing its support for the proportional principle, as opposed to the combined system being held out by the legislature, which leaves no doubt about the desire to take advantage of power in order to retake power, according to Dr. Ivanisevic.

There were many questions about these initiatives, as well as true polemics with the journalists. Concerning the objection that the holding of presidential elections would in fact violate the basic voting rights of some of the citizenry, the SDP leadership agrees that reasoning based on minimizing damage is not exactly congruent with the rule-of-law state, but that this would be a test of the willingness of citizens in the occupied regions to express the extent to which they are in favor of Croatia, an opportunity, as in other democratic countries, to separate presidential from parliamentary elections. Ultimately, it is the SDP leaders' conclusion that their initiative concerning presidential elections is a reaction to pressure to hold elections, as well as the fact that it will be a very painstaking job, even with the help of the blue helmets, to bring about a Croatia where it will be possible to conduct parliamentary elections.

Mato Crkvenac explained the SDP initiative for rapid transformation of social ownership and for acquisition of ownership. As a way out of the current blockade on the transformation of ownership, the SDP proposes that around two-thirds of the social property be distributed to citizens of Croatia at no cost, and that the state retain 35 percent of that property. Those who work in the economy or used to work there would have a right to 10,000 German marks [DM] in stock at a discount of 40 percent, and a total of 43 percent of social property would be distributed to them. Those who work outside the economy or used to work there would have the right to stock valued at DM7,000, and with a discount up to DM9,800. All other Croatian citizens of age would receive stock valued at DM5,000, and they would prove their right to this through their certificate of domicile. In this way, a total of 65 percent of the net value of social property in the Croatian economy would be distributed, and the state would be left with 35 percent, or DM16 billion.

The SDP proposes that the deadline for transformation be extended to the end of this year, and that the regulation setting a limit of DM20,000 for purchases by individuals be rescinded, as well as the one on the sale of more than 50 percent of the value of enterprises. Dr. Crkvenac interprets the government's insistence on the

middle of this year as the transformation deadline as an attempt to create the impression that the transformation process is intensifying, even though, according to him, the majority of enterprises "can hardly wait for the deadline to come and for the state to take them over."

Peasant Party Leaders on 'Blue Helmets'

92BA0629D Split SLOBODNA DALMACIJA in Serbo-Croatian 4 Mar 92 p 6

[Article by M. Silovic: "Connecting the 'Blue' and Green Fields"]

[Text] Split, 3 Mar—The blue helmets must come to Croatia, and they must go to the crisis areas. Their coming guarantees the return of those who have been driven out, the restoration of Croatian sovereignty, and goods and money to those regions. In that sense, we should seek a life together with all citizens of Croatia, and the only exceptions should be those who have blood on their hands, said Drago Stipac, president of the Croatian Peasant Party [HSS], in a press conference in the "Marjan" Hotel. Mirko Madjor and Nikola Culek, vice presidents of the party, and Ivo Jelincic, Vlado Duvancic, Luka Roic, and Nikola Zokic, members of the Main Committee, also took part in the conference which HSS leaders arranged at the end of their visit of several days to Dalmatia.

They held public discussions, they talked with the party's chapters, and held discussions with government authorities in Murter, Sibenik, Unesic, Trogir, Kasteli, Omis, Imotski, Opuzen, Metkovic, and on Brac, the leaders of the HSS announced. It is an extremely important initiative to open a commodity exchange in Zagreb and several auction centers in Croatia. This is an action that could effectively increase the competitiveness of Croatian products in Europe. One such center would have an ideal position in Divulje, which by no means should be reserved for military purposes, and least of all as a military resort, President Stipac said, and he emphasized that this initiative of the HSS has already obtained support of the ministries of tourism and agriculture and of five island opcinas in central Dalmatia.

After he congratulated the people of Split for their valuable athletic victory in Trieste, Vice President Mirko Madjor said that Croatia's future lies in a synthesis of its "blue" and green fields. He was critical of the division of Croatia into parishes and favored preservation of the authentic regions. To take away someone's native region is to take away his homeland, Madjor said. Nikola Culek discussed in some detail economic problems in Croatia and the losses which Croatia could suffer from imports of foodstuffs, in spite of the war, and Dr. Zvonko Masanski emphasized the need for the scientific approach to solving agricultural problems.

Ivo Jelincic, member of the HSS Main Committee, said that the party's delegation had also visited the editorial offices of SLOBODNA DALMACIJA and given full support to its independent editorial policy. At the end of the press conference, the leaders of the HSS said that they deemed it urgently necessary to define the situation in Croatia once and for all. The president and the government must finally decide whether we are in a state of war, a semistate of war, or a postwar situation, Ivo Jelincic said.

In the course of the morning, the leaders of the HSS were received in the Presidency of the Split Opcina Assembly by Dr. Petar Slapnicar, mayor, Marin Mihanovic, deputy mayor, and Zvonimir Pulic, president of the city government. The leaders of the HSS completed their visit to Dalmatia and Split with a visit to the regional Economic Chamber and the Cooperative Alliance of Dalmatia.

Kosovo

'Government in Exile' Bans Property Transfer

AU1903180492 Belgrade Radio Belgrade Network in Serbo-Croatian 1400 GMT 19 Mar 92

[Milivoje Mihajlovic report]

[Text] In the manner of a real government, the illegal government of the nonexistent Republic of Kosovo is endeavoring to, as they put it, protect Albanian state property in the southern province. In a statement carried in today's edition of the BUJKU newspaper, the illegal government, or as the Albanians like to say, the government in exile, is proclaiming illegal, as cited, all agreements and acts on the transfer of the real estate of socially- owned enterprises in Kosovo. The statement also says that the government does not recognize documents on the restructuring of the property of socially-owned enterprises and what is called Kosovo's material and natural resources.

This government is also banning the transfer of the property (?of) the branches of Kosovo firms abroad. Apart from that, Albanians who used to be managers of Kosovo enterprises are required to follow activity in their former firms and inform the government of the Republic of Kosovo of this. Today's statement insists that they are warning the organs of the Republic of Serbia of the consequences of what they call irregularities in collectives. Even though such reactions mainly cause hilarity here, the Albanians believe that this is yet another proof that the Kosovo government suddenly came to life only recently when Ibrahim Rugova announced new elections and even the election of a new government.

Serb, Montenegrin Migration Detailed

92BA0637B Belgrade POLITIKA in Serbo-Croatian 7 Mar 92 p 8

[Article by Z. Zejneli: "More Immigrants Than Emigrants"—first paragraph is POLITIKA introduction]

[Text] Last year 1,627 people moved out of Kosovo and Metohija, and 1,896 people moved in; favorable credits for returnees.

Pristina, 6 Mar—Last year, more Serbian and Montenegrin citizens moved into Kosovo and Metohija than moved out of it. According to the records of the opstina services for the prevention of emigration, 1,896 people moved into this part of Serbia, and 1,627 moved out of it.

These data were stated at today's press conference of the Socialist Party of Serbia [SPS] for Kosovo and Metohija, which was held in connection with the SPS Main Committee meeting that will be devoted to this significant issue.

Last year as well, the most people emigrated out of the Pristina opstina (247), and the fewest out of Kosovska Kamenica (126). At the same time, the most people moved into Pec (277). As was stated at the press conference, the same motives for emigration are being expressed now: the political and security situation, family unification, and economic and other reasons.

"As far as the economic situation is concerned, the individuals who are emigrating do not have grounds for this," stated Zivorad Igic. "This is because the economic problems are more or less the same everywhere. Nevertheless, with respect to the security situation, we feel that it is still very complicated. During the past year alone, there were about 200 different attacks against Serbs and Montenegrins, as well as more than 150 attacks against militia patrols," Igic stated.

In response to a question about what had been done so far on this sensitive issue, it was stated during the talks with journalists that the biggest problems were apartments and jobs. Great hopes are being placed in the Yu-program. To date, in fact, 407 apartments have been built, and 167 of them have already been distributed. As far as employment is concerned, in the past year and a half about 22,000 Serbs and Montenegrins have been employed in Kosmet [Kosovo and Metohija].

Great hopes are also being placed in the already passed law on the allocation of land to returnees and those who arrive in Kosmet and want to engage in agriculture. Exceptional opportunities are being offered to them. Specifically, those who decide to come to Kosovo and Metohija receive up to five hectares of free land, depending on the number of households, and a loan for 25 years, which can be repaid in installments after five years, with a fixed interest rate of 5 percent. If someone has a third child, the period for beginning to repay the loan is shifted to 10 years.

Journalists were also informed that housing developments for the returnees were already being prepared. In the village of Glavica, a housing development for 20 families is already being prepared, and in the Istok opstina, there is even one for 100 families. About 230 families that escaped from Albania have expressed the desire to settle in the vicinity of the Visoko Decani monastery; their request is still being considered, but a final decision has yet to be made.

Macedonia

Defense Minister Expects Border Control 21 Mar

LD1903222592 Belgrade TANJUG in English 1230 GMT 19 Mar 92

[Text] Skoplje, Mar 19 (TANJUG)—Macedonian territorial forces today took over the civil and military airport "Petrovec" in the vicinity of Skoplje and the city's "Marshall Tito" barracks, marking an end to the transfer of military facilities of the Yugoslav People's Army (JNA) into the hands of the Macedonian forces. The Macedonian Ministry of Defence expects that the complete Macedonian border will be under the control of its armed forces by March 21. The ministry says that, following an agreement between the JNA and Macedonia, some 90 per cent of the military facilities in the republic have been transferred to the territorial forces. With the takeover of the facilities, the Macedonian flag is hoisted instead of the Yugoslav flag.

In parallel with the transfer of military installations, a Macedonian Army is being set up. As decreed by Republican President Kiro Gligorov, Major-General Mitre Arsovski has been appointed Commander of the General Staff of the Macedonian Armed Forces. The ministry has announced that the first recruits of the new army will be enlisted in mid-April.

Democratic Party of Serbs Registers

LD2003000892 Belgrade TANJUG in English 1448 GMT 19 Mar 92

[Text] Belgrade, March 19 (TANJUG)—The Democratic Party of Serbs in Macedonia (DPS), the first Serbian political party in the republic, has been registered, as the Belgrade daily BORBA says today. The Macedonian Interior Ministry yesterday filed the DPS in the register of social organizations and associations of citizens. The DPS will be based in Skopje and will operate in the Macedonian territory, as BORBA specifies.

President of the DPS steering committee is Dr. Bora Ristic, professor of technical sciences at the university of Bitolj. Macedonia's compentent organs have for months rejected the party's requests for registration, saying the DPS is a one-nation party, BORBA says. However, two parties of ethnic Albanians and some other national parties have been registered without any difficulties in Macedonia so far, BORBA claims. According to the Yugoslav census in April 1991, Serbs account for 2.2 percent of Macedonia's 2,033,000 population.

The new Macedonian constitution does not even mention Serbs, but elaborates on some marginal ethnic groups as 'ethnic Egyptians.'

Serbia

Milosevic Reported on 'Private Visit' in Athens

NC2003111692 Athens Elliniki Radhiofonia Radio Network in Greek 1800 GMT 19 Mar 92

[Text] According to an Athens news agency dispatch from Belgrade, Serbian President Slobodan Milosevic is in Greece on a three-day private visit. Milosevic traveled by land to Athens, and according to a statement by the Serbian president, he will not hold any official meetings. He said himself that this is a private visit so he can rest after his recent illness. Our Belgrade correspondent Nikolaos Yeoryiadhis reports on this issue:

[Yeoryiadhis] In the end, Serbian President Slobodan Milosevic chose to visit Greece for a few days holiday after the well-known adventure of his health and the automobile accident. He is incognito on this visit, which is without political contacts, absolutely private, and all the rest. However, it already appears that, following the leaks about his visit, everything has changed. As is known, according to last weekend's Slovene and Italian press, Milosevic was allegedly arrested by servicemen in Belgrade while trying to flee abroad and he was carrying a huge quantity of gold. His very presence in Greece now refutes all this unusual rumormongering. Of course, there are certain problems, such as his unusual travel to Greece by car and not by air, through the republic of Skopje no less.

It follows from the timing of this travel that the leak about his visit must have originated in the republic of Skopje in an attempt to expose Milosevic as promoting secret diplomacy with the Greek Government shortly before 6 April. As it follows from the Greek Embassy in Belgrade, Milosevic himself has not, either officially or unofficially, requested political contacts in Greece with the leadership. Nevertheless, everything is open. You see, this is the Balkans.

Assembly Considers Return of Refugees

LD1903124592 Belgrade TANJUG Domestic Service in Serbo-Croatian 1019 GMT 19 Mar 92

[Text] Belgrade, 19 Mar (TANJUG)—The regular spring session of the Serbian Assembly began this morning. During the drawing up of the agenda, attention was drawn to two contradictory proposals from deputies for urgent processing. One calls for Serbian citizens who left the country because of the danger of war to be invited to return, while the other proposes that those who fled to avoid military conscription be banned from returning to the country. Both proposals, however, were rejected on the grounds that they fall within the sphere of federal and not republican regulations. The main topic of the two-day session of the republican parliament, in addition to many others, will most likely be the laws relating to health insurance and health services, for which a large number of amendments have been submitted.

National Party Seeks Recall of Representative

LD2003144492 Belgrade TANJUG in English 1927 GMT 19 Mar 92

[Text] Belgrade, Mar 19 (TANJUG)—The National Party (NS), a smaller opposition party in the Yugoslav Republic of Serbia, is seeking the recall of the representatives of Serbia in the Yugoslav State Presidency. It also considers that the Presidency members should be held criminally responsible for failing to protect the integrity of the country and ensure the observance of the federal constitution. President of the National Party and a deputy in the Serbian Parliament Milan Paroski elaborated this stand at a news conference in Belgrade, saying that the members of the Yugoslav Presidency from Serbia, Borisav Jovic, Jogoslav Kostic and Sejdo Bajramovic, had adopted "individualistic decisions on the withdrawl of the Yugoslav Army", while their latest wrong move, according to him, are preparations for the Army to leave the Republic of Serb Krajina, in the secessionist Yugoslav Republic of Croatia.

Russian Reporters 'Killed' by Croatian Forces

LD2003135192 Belgrade TANJUG in English 1251 GMT 20 Mar 92

[Text] Belgrade, Mar 20 (TANJUG)—Two missing Russian reporters, Viktor Nogin and Gennadiy Kurinoy, were actually killed by members of the Croatian Armed Forces last September because they knew that a Ugandan airliner carrying weapons to Croatia would land in Yugoslavia, POLITIKA and some other Belgrade dailies report today. The dailies quote sources from a society of Serbian-Russian friendship. Yugoslav Air Force jets intercepted the Ugandan airliner and forced it to land on the Zagreb Pleso Airport. The bodies of the two reporters were found soon after they were killed last September, after a testimony by one of the killers. POLITIKA writes that he led the members of the first Soviet investigating commission and the territorial defence to the spot where the bodies were hidden, near the town of Kostajnica. The bodies were sent to Moscow in welded metal coffins soon afterwards, but Soviet and now Russian authorities have still not revealed any details, so that the two reporters are still officially listed as missing, the daily writes.

Slovenia

Independence Memorandum Submitted to UN

LD2003001492 Belgrade TANJUG in English 2237 GMT 19 Mar 92

["Pool" item]

[Text] New York, Mar 19 (TANJUG)—Through the standing mission of Austria to the United Nations, the secessionist Yugoslav Republic of Slovenia has made over to the U.N. General Assembly and Security Council its "memorandum on independence" dated January 23, 1992, in which it announces its intention to request

membership of the world organization. In its memorandum Slovenia asserts that it fulfills all the terms, from accepting the U.N. Charter and "the other international instruments and principles of international law" to its readiness to "give its contribution to the maintenance of international peace and security."

U.N. Secretary General Butrus Butrus-Ghali, at a press conference today, his first in this capacity, said that there were no legal obstacles in the way of Yugoslavia's retaining its name and seat in the United Nations while the former Yugoslav republics would have to wait first for a decision by the Security Council and then for that by the General Assembly once these new states have submitted their requests for membership, what they have not yet done. This was Butros-Ghali's answer to a question asked by a reporter of the Slovenian daily DELO.

The Austrian delegation, in its enclosed letter, requests that the Slovenian letter be included in the material for the agenda item dealing with the drawing up of a declaration on the strengthening of international security. This agenda item has been foreseen for the upcoming 47th regular session of the U.N. General Assembly next autumn.

Diplomatic Relations Established With Ukraine

92P20182A Ljubljana DNEVNIK in Slovene
11 Mar 92 p 11

[Unattributed article: "Slovenia-Ukraine"]

[Text] Ljubljana, 11 Mar—As reported by the Information Office of the Slovene Ministry of Foreign Affairs, yesterday Slovene Deputy Foreign Minister Zoran Thaler and Ukrainian Deputy Foreign Minister Valentin Lipatov signed an agreement to establish diplomatic relations in Kiev. Vojka Ravbar, Slovene Deputy Foreign Minister for Economic Affairs, talked with the hosts about increased economic cooperation between the countries. She will travel from Kiev to Warsaw.

Bavcar on Ways To Resolve Government Crisis

92BA0634A Ljubljana DELO in Slovene
6 Mar 92 p 2

[Interview with Igor Bavcar, Slovene minister of internal affairs, by Veso Stojanov; place and date not given: "The Political Bipolarity Has Been Artificially Created"—first paragraph is DELO introduction]

[Text] The Prime Minister is contradicting himself; it is necessary to concentrate on a new prime minister who would turn things around; opposition to the bipolarity of politics.

Ljubljana, 5 Mar—Since two opposition parties (the LDS [Liberal Democratic Party] and the SSS [Slovene Socialist Party]) rejected Prime Minister Lojze Peterle's invitation to join the government coalition at the beginning of this week, the Slovene government's political crisis has continued and intensified. We spoke about possible ways out of it with Igor Bavcar, the president of the Democratic Party and one of the three ministers whom Lojze Peterle would like to remove from the government.

[Stojanov] What are the possibilities for a way out of the present governmental and political crisis in Slovenia? Is Lojze Peterle's resignation a condition for changes and for a way out of the crisis?

[Bavcar] A few months ago there were several attempts within Demos to resolve the situation. Even then it was obvious that Peterle, as prime minister, was clearly not able to cope with things. The fact that in Demos we were not able to reach an agreement and call a spade a spade as far as the prime minister's competence was concerned, led to the matter's assuming political dimensions that it does not really have, and he contributed to this himself. If we had dealt with resolving the crisis earlier, perhaps the situation on the Slovene political scene would be different now. The idea of the bipolarity of the Slovene political scene that is emerging now should be attributed to a considerable extent precisely to Peterle and his persistent repetition that any criticism of him is actually an attempt to restore the previous system. These are very transparent attempts to stop the criticism at his expense. Why do I say this? Even his latest attempts to preserve himself, when on one hand he is criticizing us for not supporting his government and is therefore trying to dismiss us, and on the other hand he is seeking authority for talks with the opposition, are arguments against his claims that this has to do with a restoration of the previous system. He himself is inviting the forces and political parties to cooperate which, on the other hand, he is accusing of restoring the old system.

It is therefore necessary now, in spite of the approaching elections, to concentrate on the issue of the prime minister and to seek an appropriate solution. It is necessary to concentrate on a new prime minister, and this alone would be a great plus for the period of half a year to a year when we should promote Slovenia and turn things around. One can hear from the parties that are at least outwardly still supporting Peterle that it has also become clear to them that a certain story is finally over.

[Stojanov] Under what conditions would the Democratic Party go back among the former Demos parties?

[Bavcar] We are not committed to ideological a priori conditions of one kind or another; instead, what is important to us is professional judgment, if professional decisions are involved, and tolerance, if political decisions are involved. In accordance with these two criteria, we can bend either somewhat to the left or slightly to the right, since we really do not need to cling to any bloc. We do not care if some people criticize us for being either against the Christian ethos or against some European

leftist position. At this time Slovenia needs professional judgment and decisions, and we will decide in accordance with this. Peterle is not ensuring this. What is important to us is the issue of the candidate and the issue of the program that the parties would support. A political solution that in a certain way also ensures these two criteria in Slovene politics is that we nevertheless form an alliance, which we have already tried to achieve and which extends from the SLS [Slovene Peoples' Party] on the right to the Socialists on the left. This alliance in the center is precisely what ensures tolerance and an inclination toward compromises. Our opposition to bipolarity results from the fact that bipolarity does not allow either tolerance in political decisionmaking or professional decisions, but instead offers prestige issues—and the whole story in connection with the prime minister is a story of prestige issues.

[Stojanov] Does this mean that the name of a new prime minister will appear soon?

[Bavcar] Yes, I think that it will.

[Stojanov] Recently, Dr. Joze Pucnik has been mentioned. Would you support him?

[Bavcar] My answer will be very diplomatic. If he will meet these two criteria, then I even see a possibility for this, although I am skeptical, since the difficulty is not just in Peterle's resigning alone, but also in who will propose the new candidate. If he is proposed by the group or circle of Peterle's parties, which no longer includes Plut's Greens, that is still far from sufficient. It is necessary to conduct talks, which must take place concerning the government's program and its orientation. This means that we are facing a new round of talks, and I think that this is an issue that will be very important. It will be necessary to start untangling things with respect to the specific issues. For us, there is no fence that we would hold onto at any cost.

[Stojanov] Consequently, what, in your opinion, is a possible way out of the present crisis and blockade?

[Bavcar] I think that in any case it will be necessary to take the initiative now. Our party is thus entering into a round of talks with almost all the parties. We will try to find out what their views are. It is obvious that no party has enough strength to make any sort of new move on its own. Of course, unless Peterle himself overlooks something, it is probably not possible to count on this. In fact, he has an unbelievable ability to select indications that are favorable to him, so that only positive waves reach him. New elections would be ideal, of course, but it seems that they will not be held for some time to come. Furthermore, so many steps have already been taken that it will be necessary to take a few days to think things over. The blockade is complete. I am glad about what the Greens have decided. The news from the group of parties that support Peterle indicates that it has become clear to some of them that all this is not leading anywhere, but unfortunately there is still no determination to cut through it. Today many people are recalling Jansa's proposals in July and regretting that they did not take them into account at that time, since things in Slovene politics would have gone quite differently.

[Stojanov] Will you also propose a new prime minister in the new round of talks with the parties?

[Bavcar] We have not given up on our prime ministership and our initiative.

[Stojanov] Does this mean that you are also still a possible candidate?

[Bavcar] The Democratic Party does not have just me, but also several other people who I think would be capable of turning things around to some extent in this short time. We will suggest this in the talks. Furthermore, our party is preparing a significant promotion of certain specific solutions in the economic area.

Police Force To Be Demilitarized, Depoliticized

92BA0625B Ljubljana DELO in Slovene 28 Feb 92 p 10

[Article by Zarko Hojnik: "The War Also Gave the Slovene Police Some Shortcomings"—first paragraph is DELO introduction]

[Excerpts] The militarization and politicization of the police that were required by the preparations for the war and the war itself can still be perceived today; attention to the protection of human rights; the minister has reorganized the special police unit.

Ljubljana, 27 Feb—At today's press conference, the Slovene police command described its work during last year's state of emergency. In addition to the fact that policemen handled more than 36,000 criminal acts, which is 85 percent more than in the same period the year before, more was also said about the defense of Slovenia, in which the police played a decisive role and, by which, in a manner of speaking, they were indelibly marked. [passage omitted]

Pavle Celik [Slovene police commander], among other things, also spoke about the war's consequences on the minds of policemen and on their behavior. This has to do with the militarization and politicization of the police. More precisely, from last spring until now the Slovene police have been extremely politicized along the lines of preparing for the war, waging the patriotic war, defense, and subsequent tasks in taking over police protection of the state borders. This required from the police a considerable degree of patriotic education, allegiance, and also military organization, which we are now paying for in a negative sense, because habits from the war are also appearing in peacetime, and some people would like to continue to keep this militaristic spirit and military forms of police activity. There is no need for this, however, according to Pavle Celik. This involves various actions by special police units that were carried

out in various parts of Slovenia, the abandonment of the regular police operational methods specified by police regulations, etc.

The past war also influenced discipline in the police, which has deteriorated, according to their commander, and in which they are not as satisfactory as they were prior to the aggression against our state.

In police work, according to Celik, it is important to pay attention to the significance of the human rights that the new Constitution has defined for us, or to which we are committed by international treaties and conventions. The Slovene police encountered the need to ensure human rights on a large scale for the first time during the past war, when they had nearly 4,000 prisoners of war under their care, for whom they had to ensure the suitable living conditions required by the Geneva Convention on the status and rights of prisoners of war. Members of the International Committee of the Red Cross from Geneva were also able to withness themselves, with their own eyes, the treatment of the prisoners of war at the assembly centers. The same thing occurred with the reception of more than 25,000 Croatian so-called displaced persons, who were in a serious position because of the well-known circumstances.

The new Constitution requires that the police exercise even greater care in the area of human rights, which means new, different, and rapid adjustments, but this does not present any difficulties whatsoever for our police, according to Pavle Celik, since they will adjust their methods and means of operation to the circumstances that are arising with the reduction in police powers. The police are to compensate for what they have lost in the formal legal area through professional work and through adjustment of the methods and forms of their work to the new social situation.

Although the southern border with Croatia is not anything new, a great deal of labor and effort was invested in establishing it so that it would start to function in the same way as the state border with our western neighbors. In this regard, one should also not overlook the more liberal intergovernmental agreement on our policemen crossing the Croatian border to reach areas where Slovene villages are located.

Last year in the area of international advancement the Slovene police had more than 6,000 contacts with other security organizations. In doing so they discussed various issues related to the protection of common borders, and also related to the prevention of migration across our territory into the West. Our police have also already established contacts with the UN High Commissioner for Refugees, headquartered in Geneva. A new element that should be mentioned is that the Slovene police have become a member of the European Association for Aircraft and Airport Police, which has its headquarters in London. The stations at Brnik and the maritime police station in Koper have been included in that association.

[Box, p 10]

Taxpayers will be interested in the fact that last year the costs of outfitting a new policeman amounted to somewhat more than 152,000 tolars, whereas the costs for policemen with several years of service were only 27,000 tolars. For several years now, the police have also been trying to extend the service life (the use) of police uniforms, in order to save something that way. Reserve policemen are outfitted with uniforms whose service life has otherwise expired but which are still usable.

[Box, p 10]

We also learned that a few days ago, Minister of Internal Affairs Igor Bavcar also reorganized the activity of the special police unit and thus also demilitarized it. This is the special police unit that was established in 1956, which is composed of policemen to be called in. It includes policemen from different police stations who are assembled in case of necessity, perform a task, and then return to their parent police units. Otherwise, they also have a special or antiterrorist police unit that has its headquarters on Vodnikova Street, and is not part of the regular police units in the area.

[Box, p 10]

With respect to recruitment for the uniformed police, Pavle Celik said that others who have not graduated from the cadet school in [word indistinct] will still be able to become policemen as well, but that they will only be able to gain employment in the police force if they have completed a full, i.e., four-year, secondary school education, and then a six-month supplementary course will also await them. The initial results of that additional education of new policemen have been very successful, Pavle Celik asserted. They think that women could start being accepted for the police again, approximately 30 per year. Currently there are 153 policewomen in the Slovene police.

Government Comments on Economic Crisis

92BA0639A Ljubljana DELO in Slovene
4 Mar 92 p 1

[Article by Ilja Popit: "Talks Between the Government and the Chamber on Ways to Escape From the Crisis"—first paragraph is DELO introduction]

[Text] The representatives of the GZS [Slovene Chamber of Commerce] warned the government that economic trends are very unfavorable; the debts exceed $10 billion; three components of the social pact.

Ljubljana, 3 Mar—The increasingly worse economic trends, markets, the social agreement, and wages, etc.,

were the topics of today's talks between representatives of the Slovene government and the GZS leadership.

The Chamber's representatives warned that economic trends, including those for production, were less favorable than had been expected before the beginning of this year. It has turned out that it will not be possible to achieve last year's results, moreover, they will be even worse than the government projected. They are also concerned by the issue of the public debt, regarding which nothing has been settled, as well as the large growth in the budget proper and also in the pension and health care portion. They are concerned about the consequences of the unimplemented financial rehabilitation of the banks, and the abnormally high interest rates.

The Chamber states that the exchange rate and export policy have not been appropriate, which is particularly bad, since the Eastern market has disappeared and the Yugoslav one has been curtailed. The cost of the monetary and credit policy is too high for the economy. Even though the Slovene Assembly has twice requested that a balance of the state of Slovene debts be drawn up, no one has undertaken this yet. If we add up the volume of the debts, the costs of denationalization, bank losses, etc., it is clear that the debts exceed $10 billion, i.e., they are larger than the annual social product. The social product is now declining again, which can already be determined from the decline in industrial production, since it is known that there is a close relationship in percentage between this production and the social product. The Chamber is no longer participating in public discussions about the privatization legislation. It will continue them when the text of the regulations reaches the Assembly. A social agreement is sensible only if at the same time there is a very coherent, consistent economic system that will yield results. In this case everyone must do his part: Workers have to adhere to wages, enterprises to prices, and the government to the amount of taxes.

The government representatives acknowledged that the economic trends were bad. Something has been done to revive cooperation with Yugoslavia, but not enough. In spite of the attempts to clear up problems with Croatia, there are still blockades. Relations with Macedonia are being normalized. There are still considerable difficulties with Bosnia-Hercegovina, while there is "no platform" for cooperation with Serbia. A visit by an EC delegation is upcoming. The EC is promising that the difficulties will be eliminated through negotiations (but the Slovene economy still has to pay the import duties that have been imposed). During his last visit Genscher inquired about how we would deal with Yugoslavia in the future, and who would pay us for what. There are good prospects for joining the IMF, which is important for obtaining loans abroad. If we do obtain foreign loans, we will quite certainly not do it for nonproductive consumption. The budget has been more than cut in half now. It will be necessary to discuss monetary and credit policy and the exchange rate in the Assembly. The financial rehabilitation of banks cannot be undertaken without money. Even the small "r" [expansion not given] cannot be reduced without obtaining money. It would not be good if we only repealed the law on wages, without simultaneously legalizing new rules of behavior. The transportation of goods to Croatia and from there to Slovenia is hampered by customs procedures at the border crossings. We are attempting to simplify the flow of goods across the border, the government representatives stated, among other things.

Poll on Response to Government Crisis Published

92BA0625A Ljubljana DELO in Slovene
20 Feb 92 pp 1, 4

[Article by Jana Taskar: "The Public on the Government Crisis"]

[Excerpts] Ljubljana, 27 Feb—In response to a question about whether Lojze Peterle should resign because of the criticisms that were addressed to him at the last meeting of the Slovene Parliament, when the decision was made on a constructive vote of no confidence in his government, a majority, 197 of 333 respondents in this telephone poll, answered in the affirmative. There were 94 respondents opposed to a resignation, and 42 answered that they did not know. The respondents were even more united on the next question: 252 of them, in fact, opposed the resignation of the three ministers from the Democratic Party, Dimitrij Rupel, Igor Bavcar, and Jelko Kacin, because their party no longer supports the government and advocates the replacement of Lojze Peterle. There were 41 respondents in favor of their resignation, and 40 could not make a choice. [passage omitted]

Almost Half of the Respondents Support Immediate Elections

One of the questions in the telephone poll was, "Do you think that there really is a government crisis in Slovene politics?" Most of the responses, 228 (68.5 percent) were affirmative, 34 (10.2 percent) answered negatively, and 71 (21.3 percent) answered the question with "I don't know."

Our STIK agency's pollsters asked the question "Why?" of those who answered this question affirmatively. Most of them, 104 (45.6 percent) answered that it was because of the increasingly worse economic crisis, 49 (21.5 percent) of them think that there is a government crisis because there are several incompetent ministers, 47 (20.6 percent) think that the government is in a crisis because it can no longer adopt any measures, and the remaining 28 (12.3 percent) cited other answers. Those who are convinced that there is no government crisis answered the question "Why?" as follows: because the ones at fault cannot be accurately determined (14 or 41.2 percent), because it was all invented by the opposition (11 or 32.4 pecent), and because there is also a blockade in the Assembly (four or 11.8 percent); the other five (14.7 percent) of the respondents cited other answers.

The government crisis and the blockade in the Assembly are continuing. We asked the respondents what would be best in such circumstances. The answer that the parties should freeze all government changes and wait until the elections was chosen by 112 (33.6 percent) of the respondents; 102 (30.6 percent) were in favor of actually replacing Lojze Peterle as soon as possible; 23 (6.9 percent) favored the formation of a government of national salvation; 21 (6.3 percent) supported the Assembly's taking the initiative in the legislative area, 12 (3.6 percent) thought that the government should be taken over exclusively by the opposition, 12 (3.6 percent) cited other answers, and 51 (15.3 percent) answered "I don't know."

And whom would the respondents appoint as the prime minister for a government of national salvation, if that were to happen? Dr. Janez Drnovsek is convincingly in first place with 267 (80.2 percent) of the votes; Lojze Peterle was chosen by 14 (4.2 percent)of the respondents; Dr. Joze Pucnik by nine (2.7 percent); Igor Bavcar by eight (2.4 percent); Dr. Peter Tancig by five (1.5 percent); Emil Milan Pintar received two votes (0.6 percent); and 28 (8.4 percent) cited other possible prime ministers.

In response to a question about whether any government could do anything at all in this situation, 163 respondents answered that immediate elections were necessary because no government can do anything; 85 are convinced that only a strong figure at the head of the government can settle the crisis, 17 think that a strong coalition government can settle the crisis, 15 chose a government of national salvation, nine respondents cited other answers, and 44 of them answered with "I don't know."

Since the last parliament session was the point of departure for the questions, we asked the respondents about their opinion of that meeting. Most of them, 137, answered that low blows were struck by both sides, 80 answered that low blows were used primarily by those who were on the side of Peterle's government, 12 said that it was an ordinary session, eight said that low blows were struck by those who were on the side of the opposition, 86 respondents answered with "I don't know," and 12 gave other answers.

We linked several questions to the recent decision by Dr. Drnovsek to join the Liberal Democratic Party [LDS]. Most of the respondents, 120 (36 percent), are convinced that Dr. Janez Drnovsek strengthened his political position by doing this; 73 (21.9 percent) think that it does not matter for him; 68 (20.4 percent) of them think that he did not strengthen his position by doing this; and 72 (21.6 percent) answered with "I don't know." A majority of the respondents—192 (57.7 percent)—are convinced, however, that Dr. Drnovsek thus increased his chances for winning the future presidential elections, 79 (23.7 percent) answered negatively, and 62 (18.6 percent) answered with "I don't know." Even more of the respondents, 271 (81.4 percent), think that the LDS gained with Dr. Drnovsek; there were 11 negative answers (3.3 percent), and 51 undecided ones (15.3 percent). In response to a question about why, 228 (84.1 percent) thought that the LDS had gained because Dr. Drnovsek was a prominent person, 18 (6.6 percent) because it really needed new personalities, 14 (5.2 percent) because the party had been paralyzed by its president, Dr. Joze Skolc; four gave other answers, and seven were undecided. Among those who think that the LDS did not gain anything with Dr. Drnovsek, eight (2.4 percent) stated as justification that one person could not have much of an effect on the party's situation, two (18.2 percent) said that Dr. Drnovsek's program and the party's were not consistent, and one of the respondents gave a different answer.

Inflation Data Revised, Published

92BA0634C Ljubljana DELO in Slovene
3 Mar 92 p 3

[Article by Ilja Popit: "Inflation Is Not Declining, But Rather the Opposite"—first paragraph is DELO introduction]

[Text] Retail prices increased by 15.2 percent in January, instead of the originally published 10.2 percent; the Institute changed its weighing system; anger and confusion among the users of the Institute's data.

Ljubljana, 2 Mar—The doubts that we published in our newspaper a month ago with respect to the information that there was a modest decline in the growth of Slovene retail prices in January have been shown to be justified. The Slovene Statistics Institute has considerably revised its January calculation of the increase in prices, which, instead of a slight decline, even yields a slight rise in the previous line showing inflation. Even on the basis of the price data from February, it would be too early to predict an early farewell to the present "non-European" jumps in our prices.

According to the data from the Slovene Statistics Institute, retail prices in Slovenia increased by 15.2 percent instead of the originally published 10.2 percent in January, and February prices (so far) by 11 percent. The final calculation of January's prices is thus 49 percent higher than the previous one.

Of course, the users of the price data are angry about that new calculation, and there are many users: from those who set monetary exchange rates, through the accountants who "build" official inflation into the prices of their products, to all the employees and retirees who add some amount to their wages, or to whose pensions some amount is added on that basis. This does not mean that all the users are actually angry, since such a one-month delay of the price report at least suits the banks, especially in those transactions in which they would have to pay their customers higher interest. Such a delay must also be welcome to the government, which wants to exert a psychological influence upon the slower growth of prices, but the question is whether such a calculation is

really to its benefit in the case of draft budgets, if it actually does not know itself in advance that the calculation is underestimated. Ignorance may help it in rebalancing the budget, however.

In reporting the initial January price data, the Institute stated that "because of the change in the weighing system for 1992, the data are provisional." This was supposed to mean that the Institute was already calculating January prices according to the new weights, which consequently had not been determined yet at that time. The Institute, however, now explains that the provisional nature of the January data was to be attributed to the fact that it was still calculating them according to last year's weights.

With the government's pressures to have the growth of prices (appear to) be smaller, it is surprising that now the final calculation of the January prices is not lower than the previous one, which would have been possible by changing the weights; instead, it is higher by almost one-half. The Institute explains that the percentage did not increase by almost one-half because the Institute wanted to be "antiregime," but rather because last year's base, i.e., the base from which this year's increases are calculated, is lower than it was.

In fact, every four or five years the Institute changes the weighing system, that is, it changes the weight that it attributes to an individual product, crop, or service in calculating the overall price increases. These changes were last made in 1987, but with less emphasis, since at that time prices were not as important as they are now. The present changes are also on a relatively large scale. Thus, there has been a large increase in the share that rents and postal services contribute to the overall price. The changes with respect to goods are the opposite. There have been very large reductions in the weights of textile products and electrical machines, and very few changes with respect to food products. On the other hand, the weighing of food has increased a great deal in calculating the prices of basic necessities. This year, for the first time in recent history, they have also started to take into account the sale prices in private commerce. Last year, in fact, they had only started to collect data for the initial base from which this year's increases are being calculated. The share of private commerce in overall republic retail sales is still small, but private food prices are lower, and the inclusion of these prices naturally moderates the overall rate of inflation. The prices in private commerce have been observed at two shops each in Ljubljana, Maribor, and Novo Mesto. This year the Institute has also reduced the influence of the Ljubljana socialized commerce prices on the average for the republic, because it also put more emphasis on Maribor prices.

The Institute warns that in calculating prices, a great deal also depends upon those who record prices in the field, i.e., what they observe and what they do not observe. This work is not easy, since there is confusion in the market. Some products have disappeared from the market, the amount of others is declining, and others may as well. It is necessary to find the prices of similar products. It has thus been necessary now to compile a new list of cigarettes to be monitored. Instead of Zastava's Jug, they have reoriented themselves to gathering prices for Golf, Renault 4 and 5, and they will also add Cimos, etc.

The new taxes are included in the prices, but this has not increased the prices, the Institute says, since those taxes have been reduced for most things.

At our editorial office, we compared the successive price increases in recent months with last September's prices, and thus calculated that in the last week of this February, retail prices in Slovenia were already about 113 percent higher than those at the end of last September. We also made a similar calculation on the basis of the prices that the Federal Statistics Institute attributes to Yugoslavia, after it adds up the price increases in the individual republics. Unfortunately, this calculation only goes up to January, and contains various mistakes, not just the above-mentioned Slovene one, which some people explain as a cosmetic error and others as a weighing error, but also similar ones elsewhere. Whereas the Croats are explaining Croatia's January price increase to their people to be about 16 percent, the Federal statistics attribute 28.8 percent inflation to them in February. Such shuffling with numbers is thus also possible elsewhere as well, since it is clear that in times of upheaval statistics does not gain in accuracy. On the basis of such a mixture of numbers, we therefore calculated that on the territory of the former Yugoslavia prices increased by about 111 percent from last September to 22 January 1992.

We are not citing the Yugoslav compilation of price figures and drawing it in a diagram in order to console ourselves with the excuse that prices are even more out of control elsewhere, but rather to demonstrate that Slovene prices have not lost their momentum either.

In any case, it would be strange if inflation started to decline overnight, with the old imbalances between consumption and production that have been joined by new ones—because of more difficult sales, the shift to very curtailed trade in kind with the south, etc. Consequently, prices will obviously not stand still next month in spite of the predictions by certain government officials. The black spear of the line showing Slovene retail prices, in fact, has been pointed sharply upward during the entire tolar period, as is also shown by our drawing.

Ljubljanska Banka Members Visit EBRD

92P20177AA Ljubljana DELO in Slovene
6 Mar 92 p 4

[Article by C.R.: 'European Bank Would Give Honey for Projects in Slovenia"]

[Text] Ljubljana, 5 Mar—Yesterday Ljubljanska Banka representatives, led by Director General Anton Slapernik, visited the European Bank for Reconstruction

and Development [EBRD] in London, where they were received by its president Jacques Attali.

Ljubljanska Banka officials informed him about the present economic situation in Slovenia and presented the projects that would be cofinanced by the European Bank. Since the bank has funds available, Attali proposed that Slovenia prepare as soon as possible investment projects to be financed by the bank. He also said that it is expected that Slovenia will become a member of the bank in May of this year. At a separate meeting, Ljubljanska Banka representatives also met with Ronald Freeman, the first vice president, and Mario Sarcinelli, the vice president of the European Bank, to whom they gave details on potential projects for cooperation between the two institutions. They mentioned specifically: a credit line for energy conservation, environmental, and export projects; a credit line for small business projects; a credit line for projects of Renault-Revoz Clio, the Vevce paper mill, and the Lendava refinery.

It was proposed that in accordance with its policy European Bank financing would not be limited to credits but would also include nonbinding investments.

The EBRD officials showed great interest in the projects. Particularly stimulating was their proposal that Ljubljanska Banka, in view of its experiences in cooperation with the International Bank for Reconstruction and Development, International Financial Corporation, and the European Investment Bank, should be chosen to carry out EBRD operations in the Republic of Slovenia, with the option of possible later activity in other Central and East European countries.

Adria Airways To Open Flight Routes to Tirana

92BA0639B Ljubljana DNEVNIK in Slovene
3 Mar 92 p 20

[Article by Roger Gogala: "Through Ljubljana to the United States"—first paragraph is DNEVNIK introduction]

[Text] Adria Airways is prepared to establish an Albanian airline; at the end of March, a regular flight to Tirana, which interests many Albanians.

Ljubljana, 3 Mar—Yesterday in Ljubljana representatives of the Slovene and Albanian Transportation Ministries signed a protocol on air and highway transportation, while an economic study will be prepared once again on the sea link between the two countries. According to this intergovernmental agreement, Adria Airways will establish a regular flight between Ljubljana and Tirana as early as 29 March, and as far as highway transportation is concerned, trucks and buses will have to have permits only for transit traffic.

Ilir Mataj, the Albanian Transportation Minister, said among other things that there was a great deal of interest in Albania in an air link between Slovenia and Tirana, since his fellow-countrymen would also be able to travel on from Ljubljana to the United Stastes, where many Albanians live. Janez Kocjancic, the director of Adria Airways, added that with the appearance of a regular flight schedule, i.e., from 29 March on (the aircraft will fly to Tirana and back on Tuesdays, Wednesdays, and Saturdays), in effect Ljubljana would also be linked with Skopje, Tetovo, and Gostivar, since passengers would be driven from those Macedonian cities to Tirana by bus.

At yesterday's talks at the Ministry of Transportation and Communications, the Adria Airways representatives also presented an initiative for establishing an Albanian airline, which several other countries are actually already urging. The Slovene airline is prepared to provide one of its airplanes in the beginning to establish the Albanian airline. The final decision, of course, will be based on economics—i.e., who will offer the most favorable terms—as Albanian Minister Ilir Mataj emphasized yesterday. The Albanian minister also added that Albania would join the international tourist information company Amadeus, since it expected that in the next two to three years tourism would already have been developed in their country, but parliamentary elections would also be a condition for this.

During the talks Slovene Transportation Minister Marjan Kranjc also advocated railway transportation between Slovenia and Albania, but this issue is still linked to the Community of Yugoslav Railroads.